

AN INVESTIGATION INTO THE EFFECTS OF TRANSPARENCY OF CHARITIES IN BRAZIL

Research dissertation presented in partial fulfilment of the requirements
for the degree of **MSc in Accounting and Finance Management**

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12th August 2020

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I certify that the dissertation entitled: **An Investigation into the effects of transparency of charities in Brazil**

submitted for the degree of: **MSc in Accounting and Finance Management** is the result of the my own work and that where reference is made to the work of others, due acknowledgment is given.

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Dedication

I would like to dedicate this work to my mother, Miriam da Glória Braga Silva, who has always been there to support and help me with my studies and to my father, José Carlos da Silva. Even though he is no longer present among us, he played a very important role in shaping what I have achieved.

I also would like to dedicate this thesis to my sister Karine Braga Silva and my nephew, Henrique Braga do Nascimento, so that they remember to never give up on their dreams.

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Abstract

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WESLEY BRAGA SILVA

This research attempts to ascertain transparency practices and the related financial performance of charitable organisations, and to analyse the financial and non-financial effects of those practices when applied to the context of Brazil. To this end, a sample of 100 charities that won the first awards “100 Best NGOs” promoted by Institute Doar in 2017 was chosen. Medium and large organisations represent a prevalent part (87 NGOs) of the sample (annual average income over 250,000 dollars). The study is divided in 4 stages. In the first and second stages, the author analysed the websites of the organisations and their financial statements, to clarify the transparency practices, and to gather and compare their financial and non-financial information. A survey was sent to all the organisations (39 respondents), utilising international academic theories regarding the effects of transparency for non-profit organisations to identify patterns and differences when those theories are applied to the context of Brazil and also to discover new hypothesis. As the last stage, an interview with 5 participants was conducted to gain a deeper understanding about their transparency practices and its effects. Quantitative and qualitative analysis were applied to interpret the data while comparing the results to international scholars. The study found that among the most common transparency practices of these organisations are: disclosure of the name of the directors and board members of the organisation, and publication of the financial statements and activity report on their websites. Regarding the positive effects of transparency practices, this research concludes that transparency practices can improve relationships and attract many stakeholders to donate and engage with the organisation (individuals, staff, private companies, and the government), it is also considered important for maintaining the trust of society and to bring more security and confidence to the management of those NGOs for decision making. A negative effect of transparency practices was identified, it can increase the organisation's costs, but this can also be seen as an investment regarding to the positive effects mentioned before. Financial scandals involving a small group of charities can negatively affect the entire sector and the industry in Brazil seems to be managing to regulate itself.

Keywords: Transparency, Charities, Third sector

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List of Abbreviations

Abbreviation	Description
ABONG	Associação Brasileira de Organizações Não Governamentais (Port.)
	Brazilian Association of Non-Governmental Organisations (English)
ACFE	Association of Certified Fraud Examiners
BRL	Brazilian Real
CAF	Charities Aid Foundation
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
GIFE	Grupo de Institutos, Fundações e Empresas (Portuguese)
	Group of Institutes, Foundations and Enterprises (English)
IBGE	Instituto Brasileiro de Geografia e Estatística (Portuguese)
	Brazilian Institute of Geography and Statistics (English)
ICFO	International Committee on Fundraising Organisations
IDIS	Instituto para o Desenvolvimento do Investimento Social (Portuguese)
	Institute for the development of Social Investment
IMC	Independent Media Center
IPEA	Instituto de Pesquisa Econômica Aplicada (Portuguese)
	Institute for Applied Economic Research (English)
NFO	Not for Profit Organisation
NPO	Non-Profit Organisation
NGO	Non-Governmental Organisation
OSCIP	Organização da Sociedade Civil de Interesse Público (Portuguese)
	Civil Society Organisation of Public Interest (English)
P1	Participant 1
P2	Participant 2
P3	Participant 3
P4	Participant 4
P5	Participant 5

1 Introduction

1.1 Overview

The purpose of this chapter is to present sufficient background information about the topic of this research and to explain the reasons of its choice. The structure of this dissertation, purpose, objectives, and the significance of its study will also be explained and explored in this chapter.

1.1 Research Purpose

Nongovernmental organisations (NGOs) are established in order to fill the societal gaps that the government cannot address, these NGOs are not aiming to make profit but rather to meet the needs of those who are in need of assistance.

This third sector still seems to be relatively young in Brazil, but it has gained strength mainly after the military dictatorship period, which happened from 1964 to 1985 in the country. Nowadays, according to the Brazilian Institute of Geography and Statistics (IBGE, 2016) most recent report, there were 5.5 million companies in Brazil in 2016 and non-profit organisations represented 4.3% of that total. This is a relevant percentage of non-profitable companies to the country; however, no regulatory body has been created to supervise this specific industry yet.

In 2011, a scandal involving the Minister of Sport, Orlando Silva gained headlines within the media in Brazil. The Ministry of Mr. Silva was charging a fee of 20% for charities on top of transfers of public resources to them, money that the NGOs were supposed to be utilising to carry out projects with children and adolescents. The fees paid to the Ministry were utilised for the personal interest of the Minister, who had spent the money on election campaigns among other purposes. It is estimated that the loss to the public coffers was around 40 million BRL (Approx. \$US 22 million) (G1, 2011).

The repercussion of this case was so overwhelmingly negative that the president at that time, Dilma Rouseff suspended all the transfers from the Federal Union to charities for one month, requiring immediate review of contracts (Ojeda, 2012).

As a consequence of this episode, serious Non-Profit Organisations and social movements came together to pressure the government, claiming for a more transparent partnership selective process between the government and the third sector. The government has since worked together with this group and in 2014, the president enacted a new law (Law nº 13,019/2014), aiming to regulate and make this partnership more transparent.

Other initiatives to help the third sector to gain more *visibility*, professionalism and transparency have emerged within the sector itself in Brazil in recent years. In 2013, for example, the Instituto Doar was established with the mission to promote transparency and foster the culture of giving in Brazil. The Institute has 2 main strategies to achieve its mission. The first one has been identified in the literature review as a third-party certification, where the charities pass through an audit process that in this case, the Instituto Doar ensures standards in management and transparency. The second one is an awards scheme, where they select and promote the 100 Best NGOs of Brazil annually. The first strategy has been adopted since the establishment of the organisation in 2013 and the second started running from 2017.

Researches from the Institute for the Development of Social Investment (IDIS, 2016) pointed out that 71% of Brazilians understand that charities depend on donations to survive, 44% agreed that those organisations are competent, however, only 26% of those interviewed believe that most NGOs in Brazil are reliable. In 2015, donations from individual people totalled an amount of R\$ 13.7 billion Brazilian-real (approximately 5.8 billion dollars), which represented 0.23% GDP in Brazil at that time.

In a country known internationally for its political corruption scandals, the lack of transparency can cause a negative effect in the charity sector, where people can possibly extend their lack of confidence in the government to nongovernmental organisations, as some of those associations receive grants from the government and many politicians are also involved with NGOs.

As if the threat of this association with corrupt politicians was not enough, the absence of transparency in the sector can have other consequences, for example, the spotlight of any big scandal involving a single organization or a

group of charities can affect negatively the entire sector. Likewise what happened in Ireland in 2012 where people stopped donating to charities because of major scandals of 2 charities in the country, Central Remedial Clinic and Rehab (Coleman, 2014). The same happened in the UK (Mainly England and Wales), where due to some scandals involving non-governmental organisations in 2015, donations from individuals dropped 61% in the following year and sponsoring fell 69% in 2016 (The Guardian, 2019).

A study conducted by the Association of Certified Fraud Examiners (ACFE, 2020) pointed out that non-for-profit organisations are more vulnerable with regards to fraud and abuse because they generally have less resources to create internal processes to prevent it. This weakness associated with the speed and proportion that the news has gained from advancing technology, can be extremely dangerous for organisations that depend on their reputation to maintain themselves. Unfortunately, because of a minority, many organisations can be affected, and consequently the population that needs the services of those organisations become completely forlorn.

Considering all the information presented above, the author would like to **investigate what are the effects of transparency for charities in Brazil**. For this exploratory study, the author is aiming to investigate what are the most common transparency practices of charities in Brazil and what are the advantages and disadvantages perceived for those charities considered transparent, from a financial and non-financial perspective. For this purpose, the author will utilise as a sample the winners of the first edition of the awards promoted by the Institute Doar. The study also aims to identify the first impacts caused by the awards scheme promoted by Institute Doar and the new law nº 13,019/2014.

The results of the research might be of interest to the charity sector, government, companies who sponsor the charities, individual donators and people interested in social responsibility.

1.2 Significance of the Study

The author comes from a low socio-economic background from a developing country, is the first in his family to have access to a third-level education, to live abroad, to be studying a Masters in a foreign language and to have his own

business. It has been a difficult journey in order to achieve these goals, however, the author realised that he is privileged as many young people who he grew up with were not as lucky as himself in life. Some have been convicted and in jail, dead or with many children to take care of, who dream of a better life for themselves.

The author has been working with NGOs for over 6 years and believes that the government is not able to fulfil all the necessities of society. In Brazil, a country where inequality is overt throughout society, NGOs play a key role to fight against it. In his experience, he noticed that there are many well-intentioned people leading non-governmental organisations, however, the lack of legal and financial knowledge can frustrate the dreams not only of those who want to make the world a little better place to live in, but for everybody involved in the project.

Exploring the effects of transparency based on international literature applied to the context of Brazil would be an insightful topic and helpful to the NGOs in the country. They would be able to understand more about when choosing transparency is of worth and when it is worthless and perhaps change their behaviour related to their corporate governance practices.

Usually scholars are looking to prove only one effect of transparency for charities, from the perspective of those organisations and also from individuals. For instance, Harris and Neely (2018) conducted a research in the USA using a sample of 14,000 charities and concluded that the more transparent a charity is, the more donations they attract. This dissertation aims to bring a collection of theories of both positive and negative effects of transparency practices conducted worldwide and compare if all those effects perceived in different contexts could also be applied to the philanthropic sector in Brazil.

Striebing (2017) conducted a study in Germany, a country, like Brazil, there are no regulatory bodies to require transparency from non-governmental organisations. The author has proved that opportunistic benefit is a necessary circumstance for those organisations that can voluntarily choose to be transparent. If a charity chooses to be transparent based on its perceived

benefits, it is significant to understand what are those benefits of transparency practices for charities in Brazil, which is a very different country from Germany.

Corporate governance emerged from the industrial revolution, where business began to gain greater scalability, the need for additional capital made people who may not have known each other start to form business alliances. Cadbury (2004) as cited in Clarke (2004) stated that the corporate governance framework aims to balance the interest of individuals, companies and society.

Although corporate governance has been a topic discussed for many years, the Enron scandal (2001) opened the eyes of the whole world, revealing that many companies needed to restate their accounts in order to re-establish public trust. In Brazil, the stock exchange market is well regulated, however the country still lacks transparency practices when the subjects are government and the third sector.

The development of the non-profit sector has been enjoying a boom in the world since early 1980s, stimulated by concerns about the excesses of "statism" (Mick Moore and Sheelagh Stewart, 1998). Just as major scandals in large companies have been able to weaken the economy of many countries, scandals involving the third sector can cause significant changes in society, especially for minorities, taking into account that the sector is very dependent on fundraising.

There is a plethora of literature on transparency in NGOs globally, but very few in Brazil, which is what makes this a significant topic, since socio-economic and cultural factors can bring new perspectives. In the view of research, legal environment and corporate governance, audit and assurance, responsible business management, globalisation and corporate responsibility are subjects relevant to this research.

1.3 Research Objective

The objectives of this project are:

- 1) To ascertain transparency practices of charitable organisations in Brazil.
- 2) To analyse financial and non-financial advantages and disadvantages that transparency brings to those non-profit organisations.

- 3) Compare the analysis of transparency practices and the effects that those practices bring to transparent non-governmental organisations to identify when transparency is and is not worth it to charities.

This research aims to analyse the point of view of the organisations that won the awards “100 Best NGOs” in Brazil to gain knowledge about both advantages and disadvantages of transparency.

The author will conduct an online survey with all 100 charities and interview the management of 5 of them (primary source) to analyse their perspectives about transparency and compare the effects of their choices from a financial and non-financial perspective, listing the advantages and disadvantages of choosing transparency. Financial statements and website analysis of transparency practices (secondary source) will also be conducted to evidence the findings of this research project.

1.4 Structure of the Study

This dissertation is divided into five sections. It begins with an introduction, which covers the context of NGOs in Brazil and provides a brief history of corporate governance. The objective of this section is to clarify the purpose, significance, and objective of this dissertation.

The second chapter of the study is the literature review, where a critical review of previous scholarly work will be provided. Perspectives and contexts about Brazil and the world will be explored in this chapter, which addresses such themes as: corporate governance; the history of the philanthropic sector; regulation; reasoning for a range of stakeholders to support those organisations; and most importantly, the needs and effects of transparency for the industry.

In chapter 3, the methodology for this research will be presented in detail. Briefly, this exploratory research has as its philosophy interpretivism and will utilise both a deductive and inductive approach, with some quantitative and mainly qualitative data analysis to improve the quality of the findings of this study.

The next chapter presents and compares the findings of this study with previous literature and lastly, chapter 5 brings a final conclusion to this study, with

recommendations for further researches, presentation of contributions and limitations of this research.

2 Literature Review

2.1 Overview

This section of the research aims to review and critically evaluate relevant literature regarding practices of transparency and governance in charities worldwide, which is relevant to the topic in question.

The majority of secondary sources utilised in this chapter consists of peer reviewed articles from EBSCO and SAGE Journals, books, laws, newspapers, statistical reports from serious organisations and some online sources also considered important to gain a broader perspective about the context of charities and transparency, particularly in Brazil.

The chapter covers a brief history of corporate governance and the stock market; the evolution of the philanthropic sector and the needs for transparency; motivations of individuals, companies and the government to support charities; public and self-regulation within the sector and the effects of transparency on different types of non-for-profit organisations. Perspectives about Brazil and the world are considered for the elaboration of this section.

2.2 Corporate Governance

Good corporate governance practices can reduce chances of fraud, corruption and consequently, scandals in companies in general. Despite this, there are internationally known corporate governance frameworks and theories, in which ethical perspectives can guide numerous and various decisions for any company. On the whole, when crucial decisions arise, directors can be guided by the purpose of making profit rather than following the law to the letter (Nordberg, 2008). They may even consider the goal of other stakeholders, like employees for instance, but the interest of wealth may prevail.

The business corporation as we know today is the product of many changes in societies worldwide, in fact, technology has proven to be an immensely powerful tool to transform the world, mainly after the Industrial Revolution. The reference model of corporate governance has changed from family firms to the model that we know nowadays, with people investing money in companies that they do not inherently know (Morck, 2007; Colli and Larsson, 2014).

During the past two centuries of progress in capitalism, France, Germany, the United States and the United Kingdom had a fundamental contribution to modern corporate governance. At the beginning of the 19th century, the government of those countries started changing their legislations, establishing property rights for industry and removing the public requirement of authorisation for incorporation, which opened the right of ownership of a business to any individual (Gomez and Korine, 2005). Companies that used to be properties and managed, (except for rare exceptions) only strictly by wealthy families, slowly started to become managed by professional managers and eventually, individuals also started to share the rights of ownership of those companies.

As the twentieth century progressed, ownership and control became progressively separated worldwide (Cheffins, 2001). Statistical data gathered by Florence in United Kingdom for instance, demonstrates that from 1951 a divorce between the two was noticeable for large companies and that governance was taking place (Revell, 1961).

Companies were growing amazingly fast after the 1960's in the US and UK and neither the government nor the shareholders were able to properly monitor companies. The fall of Rolls Royce in the beginning of the 1970's bluntly illustrates this fact (Toms and Wright, 2005). From 1980 onwards, people were becoming sceptical about the new model of corporations and it was necessary to increase the mechanisms of regulation of the relationship between shareholders and executives aiming to recover the trust of people.

An emblematic landmark in the world's history of the corporate governance system occurred at start of the 21st century, particularly in the United States with Enron, Tyco, WorldCom and the Arthur Andersen scandals. Since then, new laws, regulatory bodies and changes in the accounting profession can be noticed, but it would be naïve to think that society could eliminate entirely the ethical issues in organisations, such as selfishness, which is a much broader human question.

In parallel, the industrialization gained strength in the 1950's in Brazil, with the election of president Juscelino Kubitschek. Known for his national-developmentalism policies, the governor established fiscal solutions that

attracted foreign companies from sectors like energy and automobiles for example, which consequently started importing their companies to Brazil (Ioris and Ioris, 2013).

The stock exchange barely existed at that time. Only after a major reform, which occurred during a military coup in 1964 did the capital market start running in the country but it was in the 1990s that the capital market of Brazil started growing, thanks to the privatization movement that occurred in the South American country. During the 90's, thirty-seven companies were privatized in Brazil, starting from 1991, with the privatization of Usiminas, a steel company (Zeidan and Filho, 2012).

Currently, B3, the Brazilian Stock Exchange is one of the largest stock exchanges in South America and in 2019, won the global and Latin America exchange of the year from an important derivatives magazine (Future & Options World Magazine, which is part of the Global Investor Group). Based on German Neuer Markt, in early 2000, B3 established the "new market" in Brazil, which also became a trend in the main stock markets in the world like Nouveau Marché in France, The Alternative Investment Market in London and others. This new model brought great demands in relation to modern corporate governance and transparency practices, including requirements such as the adoption of international accounting standards and being based on the principle of "one share, one vote" (Neto and Famá, 2002).

2.3 The philanthropic sector

Weisbrod (1988) as cited in Rutherford (2010) supports the idea that the rise of charities in the world originates from the government failure to fill the necessities of the population and that charity activity would be greatest in countries where its society became more diverse, which consequently brought difficulties to the government to attend the necessities of the minority. On the other hand, more homogeneous populations tend to prefer government services and as greater the democratic and heterogeneous the nation is, the more necessary non-profit organisations are.

Moore and Stewart (1998) stated that since the 1980, the development of the philanthropic sector has enjoyed a continual boost. Motivated by the concern

about the excess of 'statism' and spread of notions about 'strengthening civil society', people started dividing their donations between the charities and their government.

Brazil is a great example of Moore and Stewart's theory. In the middle of the military dictatorship period that began in 1964, resistance movements and communities started timidly to form, which was when the concept of non-governmental organisations started to spread in the country. The boost in the philanthropic sector only happened after the 80's, after the re-democratization period (Nogueira as cited by Lima, 2020).

Opposite to what happened within the stock market, the third sector in Brazil still lacks regulation. There are some authors (eg. Catanach Jr. and Ketz, 2012) that support the idea that the best solution to reduce the incidence of accounting crimes is reducing the incentives of those who decide to cheat, increasing the feasibility of them getting caught and subsequently the penalties when they are caught.

The most recent statistical research from the *Instituto de Pesquisa Econômica Aplicada* - IPEA (Institute for Applied Economic Research), portrayed that in 2019, there were 781,921 non-governmental organisations registered in Brazil, 47% of those organisations are in the area of development and defence of rights and 20% are religious organisations. The numbers might be much higher if the research had included non-registered organisations.

Charities were originally created based on philanthropic principles, seeking to purely benefit society, principally the minorities. However, studies have pointed to a trend of agency and governance problems in not-for-profit organisations. Perceived by some authors (e.g. Glaeser, 2003; Bolton and Mehran, 2006), charities do not have owners or shareholders to monitor them closely, leaving the management, control and ownership rights to the board of the organisations.

With the absence of other agents to directly monitor the organisations, fraud, corruption and other problems involving the efficiency of the application of the resources available can emerge (Greenlee *et al.*, 2007). Hansmann (1996) importantly stated that potential agency losses may arise at the expense of the lack of monitoring of NGOs management by their donors.

A study conducted in the United States by Krishnan *et al.* (2006) revealed that some charities under-report their fundraising expenses and over-report their program expenses purposefully to improve the efficiency ratios of their organisations, encouraged by managerial compensations and to attract more donations.

According to the last report of the Association of Certified Fraud Examiners (ACFE, 2020) about occupational fraud and abuse in the world, non-profit organisations are more vulnerable because they usually have fewer access to resources to help them prevent fraud. The study considered a sample of 2,504 cases of fraud that occurred in a period of a year in 125 countries and 191 cases occurred in NGOs. The average loss for fraud in non-profits was \$US639,000 and corruption was pointed out as the main causes of fraud (41%), followed by billing (30%). Lack of internal controls were the main cause (35%) for identified fraud.

The spotlight of any big scandal involving a single organisation or a group of charities can be enough to cause a domino effect in the entire sector, as evidenced by what occurred in Ireland in 2012 where people stopped donating to charities because of major scandals of 2 charities in the country, the Central Remedial Clinic and Rehab (Coleman, 2014).

In 2013, Brazil closed down more than 700 NGOs in response to reports to the Ministry of Justice that the general population itself made of charities involved in corruption, misappropriation of public funds and fraud in the provision of services (Quadros, 2014).

One of the cases that had more notoriety in the media and consequently motivated the population to pay more attention to charities in general and report their irregularities was the scandal involving the Minister of Sport, Orlando Silva. In 2011, his Ministry was making transfers to non-governmental organisations to carry out a project with children and adolescents, however, charities had to pay a 20% fee to the Minister's political party, who were spending the money in election campaigns, among other applications. It is estimated that the loss to the public coffers was around 40 million BRL (Approximately \$US 22 million) (G1, 2011).

2.4 Motivations for charitable giving and support

2.4.1 *Individuals donators*

There are many researches examining the reasons for charitable giving. In general, an emotional factor is usually pointed to as a motivation for individual donations (Goenka and Osselaer, 2019). In the Glazer and Konrad (1996) theory, for example, they assume that donors are interested in other people to know about their generous acts. Therefore, organisations that provide a platform for donators to be more recognised, are more likely to be successful. Current research conducted by O'Loughlin Banks and Raciti (2018) suggests that empathy and perceived fear are premises that can influence the financial amount donated to charities. Mainardes (2017) identified external motivators that affect decisions for donation of money to charities like environmental and, or political aspects; cause or situation of the donation; influence of others; organisation's characteristics and personal rewards. In another research, career advancement, income advantages, reciprocity and self-esteem were the variables used as motivations appointed by Dawson (1988) when he conducted research on marketing strategies to attract monetary donations for medical research.

From a more rational approach about charity giving, Ryazanov and Christenfeld (2018) concluded that donations do not increase or decrease as efficiency of charities rises. On the other hand, Tinkelman (1999) has proven a positive connection between donations and measures of efficiency. The first authors conducted a survey within a sample of 460 people, between 3 different groups of undergraduate students and a group of random adults recruited through Amazon's mechanical Turk¹. The second researcher used regression analysis of 6,500 non-profit organisations' state regulatory filings, both researches were conducted in the United States.

¹ Amazon Mechanical Turk is a crowdsourcing website for businesses to hire remotely located "crowdworkers" to perform discrete on-demand tasks that computers are currently unable to do. It is operated under Amazon Web Services and is owned by Amazon (Amazon Mechanical Turk, 2020).

Besides the correlation between efficiency and donations, disclosure of financial accounting information can also impact positively on the decision of individual's donors (Parsons, 2007).

The most recent research about individual's donation, specifically in Brazil, conducted by IDIS – *Instituto para o Desenvolvimento do Investimento Social* (Institute for the Development of Social Investment), which is part of the Charities Aid Foundation (CAF) Global Alliance, concluded that 7 out of 10 Brazilians donated money to non-governmental organisations, including religious institutions, charities or donation for individuals (CAF Report, 2018). The research also concluded that 52% of donations were destined to religious causes, which is not a surprise, considering that 92% of the population consider themselves religious in the country (IBGE, 2010). The other main cause was children (38%) followed by helping the poor (31%).

Researches from the IDIS (2016) pointed out that 71% of Brazilians understand that charities depend on donations to survive, 44% agreed that those organisations are competent, however, only 26% of those interviewed believed that most NGOs in Brazil are reliable. In 2015, donations from individual people totalled an amount of 13.7 billion BRL, which represented 0.23% of GDP of Brazil at that time, while the same figure in the US represents 1.44% of US GDP at that time (CAF, 2016).

The Charities Aid Foundation (CAF) was established in 1924 in London, with the mission to encourage more efficient giving to charities. Currently they have many partners globally and offices in Australia, Brazil, the United States, Bulgaria, India, Canada, Russia and South Africa. CAF created a global giving index, a statistical research based on data from Gallup's World poll and this research has been running for the last 10 years. According to the latest report (2019), where they combined the analysis from the previous years, Brazil is considered the 74th most generous country in the world, meanwhile, the United States is in first position. The criteria that make up the CAF World Giving Index are: helping a stranger, donating money to a charity and volunteering time.

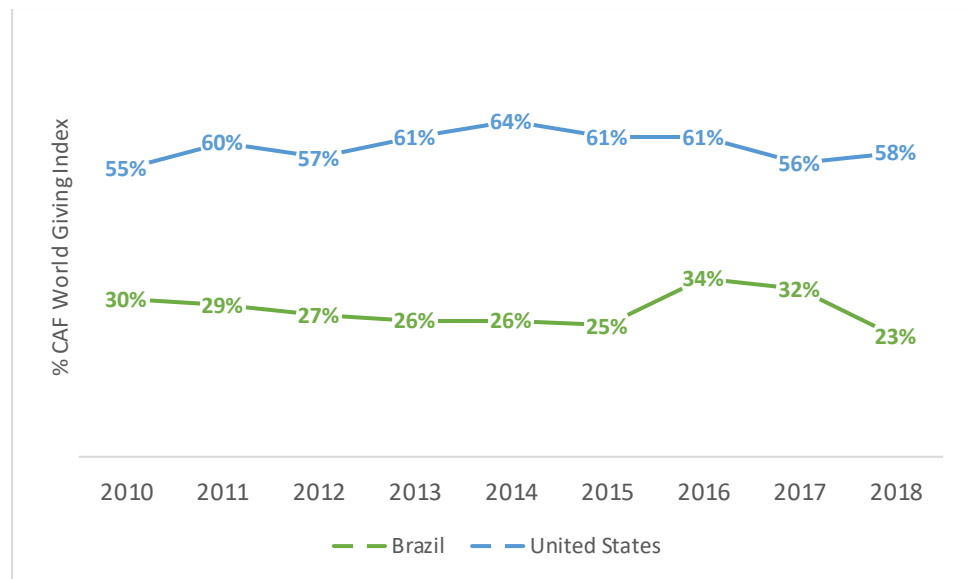


Figure 1: CAF average index between the United States and Brazil (CAF, 2018)

Analysing the graph above we can see that Brazil is significantly underrepresented in the culture of donation when compared to the United States. In a more detailed comparison (Appendix A) we can conclude that the average of volunteering time and the perceived notion of helping a stranger is 27% under the average of the US, however, the factor that significantly lowered the overall average is the donation criteria for non-profit organisations, where Brazil is 40% below the US's practices.

On one hand, it seems that a strong giving culture is a great indicator of positive economic factors from developed countries, and in fact it is (Gallup, 2016). However the civic common sense of the Americans is also in line with the culture of helping others (Galloway, 2016). On the other hand, the second most generous country in the world according to CAF Index is not considered a developed country. In fact, Myanmar had a GDP per capita in 2017 of 6,200 USD while Brazil had 15,600 USD (Central Intelligence Agency, 2017). The reasons for the high scores in the small southeast Asian country is likely to be linked to religious giving (CAF, 2019).

As we can conclude, many variables can be considered in an attempt to understand the motivations that people have to donate money to charities, numerous conclusions and perspectives can be analysed, depending on many factors like sample, methodology, culture, social needs, country, time and whom is conducting the research. In the particular case of Ryazanov and Christenfeld

and Tinkelman's theory, the difference between the findings might be associated to the methodology that authors applied to the studies.

2.4.2 Companies

Charities usually do not depend only on individual donations or support, many non-profit organisations have turned their fundraising strategies into companies. Climate changes in the world and the necessity for a more sustainable lifestyle are high issues of our society today, which contributes to new behaviours of organisations in general. They have had to adapt their business strategies in the face of population's rationalisation and awareness that all living beings on the planet can suffer serious consequences if we continue to consume all our natural resources at the current pace.

Far beyond this new global sustainable movement, organisations have successfully taken advantages of this situation to promote themselves and to increase their employee's engagement and motivation (de Gilder *et al.*, 2005). Paying taxes and promoting employment might not be enough anymore as a social contribution, it seems that companies that do not adopt Corporate Social Responsibility strategies will be left behind. In other words, companies that are socially and environmentally responsible are becoming more attractive to the consumers (Mittal, 2007).

CSR activities have proven to have a great influence on customer's trust and satisfaction towards the corporations in many researches (eg. Swaen and Chumpitaz, 2008; Civera *et al.*, 2018; Lacœuilhe *et al.*, 2018). That's a big opportunity for charities, to work in synergy with large organisations and expand the reach of its social impact; however, if a charity is not transparent enough and is not able to measure its social impact, it can bring an enormous risk and uncertainty to companies associating with them. After all, any scandal involving the charity that can be associated to the business would be catastrophic to the company.

Founded in 1931 in Belgium, the International Christian Union of Business Executives arrived in Brazil in 1961 and its mission is to promote among businessmen the culture of common good and serving people, which is one of the first registers of CSR initiatives in Brazil. Years later, in 1984, Nitrofértil was the

first company in Brazil to disclose a sustainability report. The CSR movement gained force in the 90's with the support of NGOs and the engagement of big corporations that started to disclose their sustainability reports in Brazil (Calixto, 2007).

According to GIFE (Group of Institutes, Foundations and Enterprises) 3,25 billion BRL was the quantity that organisations invested in social responsibility in 2018 in Brazil; 14% of this total came from tax incentives. The proportion of those investment in the past years are:

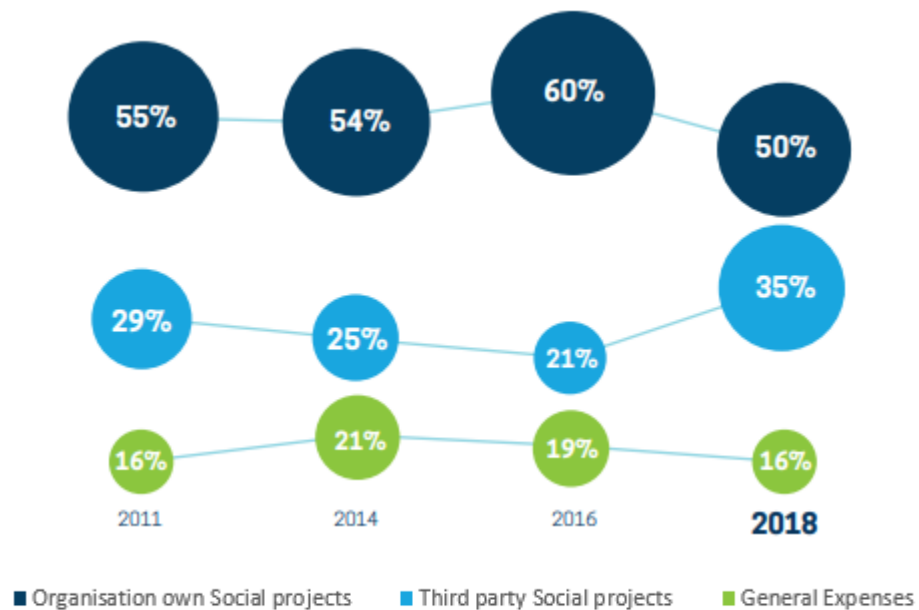


Figure 2: CSR Investment by type of expense (GIFE, 2018).

The majority of organisations invested money on their own social responsibility projects. The general expenses represent administrative (salaries of CSR area, planning, training etc) and infrastructure expenses. In 2018, 1,1 billion BRL was invested in social projects of third party non-governmental organisations, from this amount, 27% are from companies, 43% from Business Institute or Foundation, 9% from Familiar Institute or Foundation and 21% from Independent Institute or Foundation.

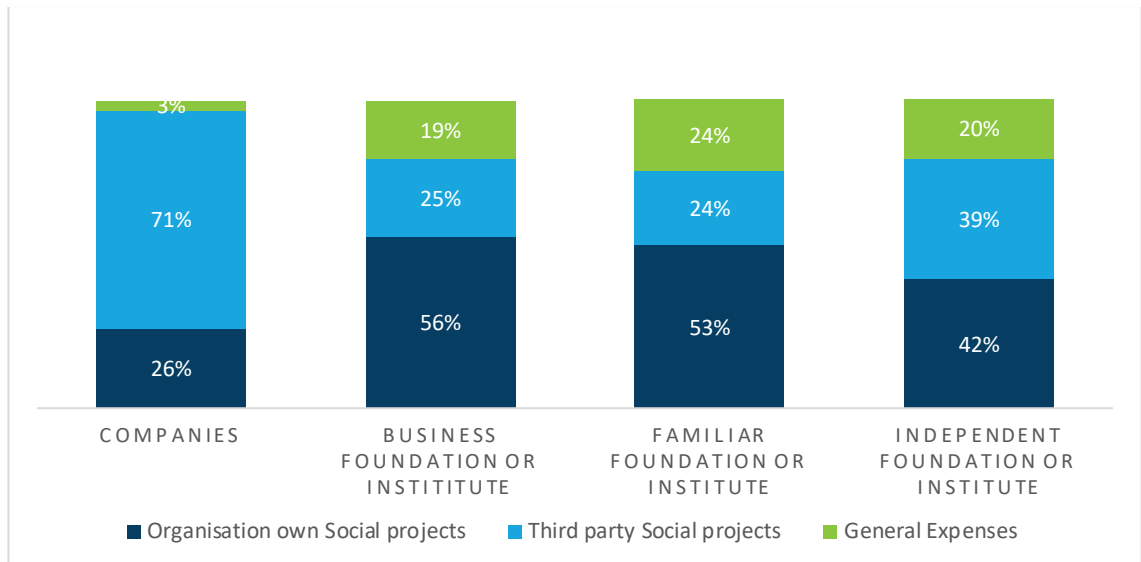


Figure 3: Total CSR Investment by type of expense and type of investor (GIFE,2018).

The graph above illustrates that while Foundations and Institutes invest a prevalent part of their money intended for social causes on their own projects, 71% of companies prefer to invest in charities rather than their own projects. Other interesting points regarding this research says that 62% of companies consider transparency and trust on the management of charities as an investment criterion and that 36% pointed as an issue the difficulty of measuring the social impact of projects.

2.4.3 Government

Galai and Wiener (2003) define the government as an economic agent that collects taxes from society based on previously established rules and therefore decides how to apply the money to provide services to the whole population. With the emergence and strengthening of NGOs, it became in government's interest to allocate part of their budget to invest in non-profit organisations according to their own criteria and needs.

Scholars suggested that the collaboration between the philanthropic sector and government lead to better efficiency of government projects, bringing more flexibility to adapt projects and reduce the redundancy between government and private companies (Milward and Provan, 2000). It also brings many benefits to charities, between them, the gain of economic scalability and increased public trust, usually governments subsidise which involves requirement of a higher

standard of transparency from the non-profits (Rose-Ackerman 1986, as cited in Brooks, 2004).

On the other hand, government grants can also reduce the autonomy of charities, by the fact that the organisation becomes dependent on government funding (Jung & Moon, 2007 as cited in Lee and Woronkiewicz, 2019), it can also lead to discouragement of individuals donations (Brooks, 2000).

The Brazilian constitution (1988) guarantees the right of income tax exemption for any non-profit organisation as long as it follows various basic requirements established in the document itself, such as keeping accounting records, non-distribution of dividends, among others. Although non-profit organisations are exempt from income tax, they still need to pay tax on donations, which depending on the state in which they are located, can vary from 1% to 8% over the donated amount.

In 1999, the government created an option to charities willing to facilitate the partnership between them. The objective of the government was to recognise charities that effectively work for the public interest. From 1999 onwards, non-profit organisations has the option to voluntarily apply for a public qualification called OSCIP – *Organização da Sociedade Civil de Interesse Público* (Civil Society Organisation of Public Interest), where the organisation is required to comply with various requests from the Brazilian Ministry of Justice.

When the law regarding OSCIP (Law nº 9.790/1999) was established, besides the intuition of facilitate the partnership with the government, only charities with this qualification would be able to receive up to 2% of the gross income in donations from big corporations, which were then able to use it as tax deductible expense. However, the rule changed with a new regulatory framework for Civil Society Organisations from 2014 (Law nº 13,019/2014), where all the non-profit organisations became able to receive the 2% of gross incomes of donation from companies, independently of being qualified as OSCIP or not. As the application for this title is optional and excludes religious, political and labour union institutions from the criteria, currently (2020) only 6,229 charities are qualified as OSCIP in Brazil (Ministry of Justice, 2020), which represents only 0.80% of the total of 781,921 associations and foundations in the country (IPEA, 2019).

The new regulatory framework originated from the pressure from serious CSO's and social movements in Brazil to make the partnership between government and charities become more transparent, and the aim was to improve the control and evaluation systems of the government and to audit projects enacted in partnership. The pressure started after scandals involving politicians and charities during the first decade of 2000's (ABONG - Brazilian Association of Non-Governmental Organisations, 2010).

The two main changes in the regulatory framework are: (1) only charities running for at least 2 or 3 years can become OSCIP; (2) before establishing any partnership with any organisation, the government must do a public appeal, giving the opportunity for other organisations to apply for the partnership.

The maturing process between the relationship of government and non-profits, despite having improved in recent years with the creation of the Non-Profit Organisations (NPO) regulatory framework and the government's transparency portal, there is still a lot of room for improvement. Meanwhile, the civil society must continue pressuring the government for further improvements to take place in the future.

In China, for example, one of the measures that have been implemented to prevent corruption in the charitable sector is the prohibition of current or retired government officials from taking management positions in NGOs. According to Ni and Zhan (2017) empirical analysis, the government's monitoring role can help third sector organisations to obtain more government subsidies, donations and market revenues. The research sample covered 2,159 Chinese foundations between 2005-2012.

In Brazil, the total amount from the Union budget transferred to NGOs in the past years are:

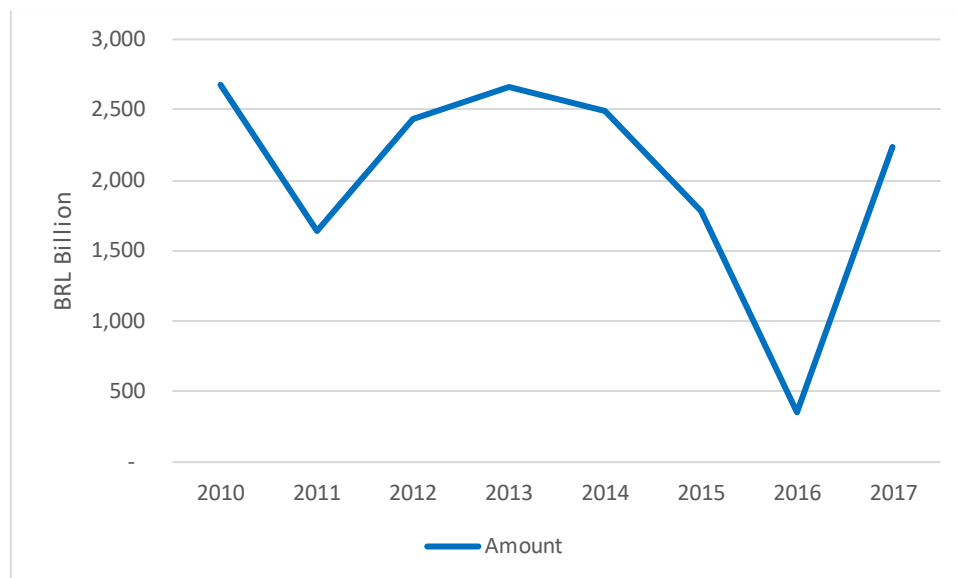


Figure 4: Total resources from the Union transferred to OSCs (IPEA, 2018)

According to the data gathered by IPEA, the Federal Union has invested 16 billion BRL in Non-Governmental Organisations between 2010 and 2017. The number represent only the direct investment from the Union in private non-profit organisations, excluding the investment from the states and municipal governments. The fall in the amount allocated to NGOs in the public budget was due to a general cut in government budget expenditure due the political-economic crisis that Brazil experienced between 2014 and 2017 (Barbosa Filho, 2017).

2.5 Transparency practices in Non-profit Organisations

2.5.1 Public regulation

A transparent organisation makes their information public to facilitate judgement of its performance and administration, it is also the basis of any accountability relationship (Koppell 2010, as cited in Striebing, 2017).

It is a fact that many countries have started recognising the importance of transparency in NGOs in recent years. In many cases it has happened as a consequence of scandals involving organisations in the charitable sector. For instance, in Ireland, a Charities Act was reformed in 2009 and a charity regulator body was established in 2014. In China, the Charity Law of China was established in 2016 and in the US, changes in the Charities Act happened in 2004.

As mentioned before, in 2011, many scandals involving charities were highlighted in the media in Brazil. NGOs were being used as shell companies for self-interest with the deviation of purpose of government grants. The scandals involved large proportions of the grants, which made the president at that time, Dilma Rouseff issue a decree to suspend all the transfers from the Federal Union to charities for 30 days, requiring a revision of all contracts immediately (Ojeda, 2012).

Although the creation of regulatory bodies seems a somewhat plausible solution to rescue public trust in non-governmental organisations, authors like Mick Moore and Sheelagh Stewart (1998) and Gálvez-Rodríguez (2015) do not agree with this strategy. In their research, they point out that some governments may see charities as a threat and they use regulatory bodies to control these organisations. According to their perspectives, the charities should self-regulate themselves and create together with national professional associations norms of corporate governance for NGOs.

In the USA for example, the government intervention about transparency for non-profits raised their costs, especially accounting fees. Despite this fact, it provided limited improvement in financial accountability, at least in the first year after the Non-profit Integrity Act of 2004. For this study, Neely's (2011) analysed and compared the quality of financial statements of 2003 and 2005 of a sample of 1,077 charities in California.

Cordery and Deguchi (2018), stated that the new disclosure regimes also increased compliance costs of charities in countries like Australia, New Zealand, Japan and China but they believe that the impact of those costs might diminish over time if the new regime shows efficiency and the public confidence rises.

With regards to the international scene, Phillips and Smith (2014) conducted research of third sector regimes, through a perspective of England, US, Canada and Australia. The authors concluded that besides a great interest of those countries in increasing transparency, impact and investing in the philanthropic sector, regulation of charities is still very heterogenous as the vagaries of politics were demonstrating as having a huge influence in the sector. Contrarily to the private companies' sector, where regulation trends to be more harmonized and homogenous.

In Germany, a country similar to Brazil where NGOs are not required to maintain a certain level of transparency by regulatory bodies, opportunistic benefit has proven to be a necessary circumstance for voluntary transparency of philanthropic organisations (Striebing, 2017). The author fosters a discussion where on one hand, non-profits should be more transparent in order to be accountable to their community and consequently improve their social impact. On the other hand, those organisations could work more efficiently when they are focused only on their core missions and do not waste time with public relations. Striebing stated that the professionalisation in the philanthropic sector has a key role towards the spread of transparency practices within the sector.

2.5.2 Self-regulation

Multiple authors argued that economic and social activities are not enough to the accomplishment of the third sector, accountability and transparency are fundamental abilities to continue protecting and enhance public confidence. (Connolly & Hyndman, 2013b; Cordery & Morgan, 2013; Keating & Frumkin, 2003; Morgan, 2012, as cited in McDonnell, 2017). Despite the importance of transparency being identified as essential to non-profit organisations, there is little that an individual charity can do to improve the public trust towards the sector, however, a joint effort of organisations can be beneficial to the whole sector, encouraging people that are inclined not to donate to start donating and also encourage people that are already 'warm' to donate even more (Sargeant and Lee, 2002).

Due to the need to keep the confidence of donors, some initiatives have been taken within the charitable sector itself. According to a research conducted by One World Trust (Warren and Lloyd, 2009), there was a total of 309 initiatives of CSO self-regulation internationally in 2009. The types of NFO self-regulation identified were distributed as follows: 52% codes of conduct and ethics, 24% of certification schemes, 12% of information services, 10% of working groups & self-assessment tools and 2% of awards schemes.

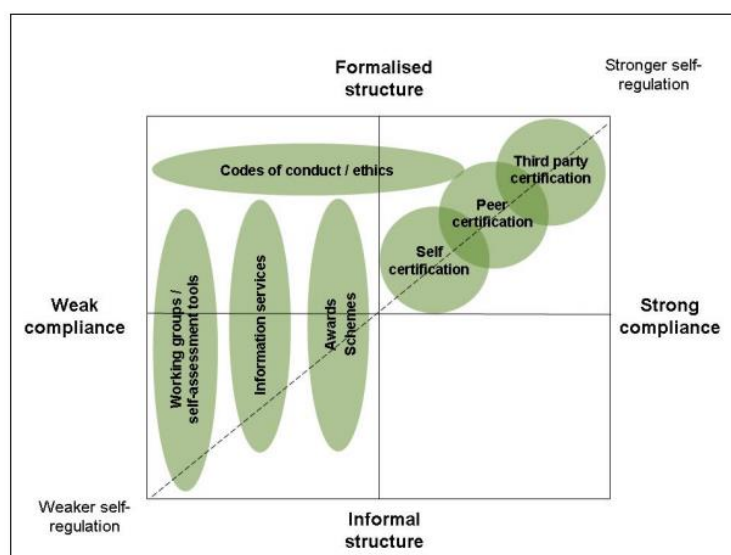


Figure 5: Types of CSO self-regulatory initiatives (Warren and Lloyd, 2009)

To illustrate the level of different initiatives, seven types were categorised which lay between formal/informal structures and strong/weak compliances. The associated ranges are approximate and can vary with each specific initiative (Warren and Lloyd, 2009). As we can see, third party certification has a stronger level of compliance and the same for formalised structures.

The International Committee on Fundraising Organisations (ICFO) is an example of self-regulation initiatives. Founded in 1958 in the Netherlands, the committee has established some International standards for charities looking to be trusted. The members of the association are national charities that aims to promote and monitor those standards. Currently, there are 20 charities from different countries who are members of the association where they can participate at international conferences, have access to the ICFO database and enjoy other benefits of an international network or organisations with the same purpose.

Bies (2010) conducted research about self-regulation for NPO's in Europe and concluded the following trends and patterns: (1) In countries where the philanthropic sector is well established and public regulation is weak, like in Germany for instance, self-regulation aims to protect the interest of donors and third-party certification might emerge; (2) In countries where the charitable sector is long established and public regulation is relatively strong, like in the UK for example, the focus of self-regulation entities turns to serving the interest of the sector itself, promoting strategies to attract donations and in some cases,

complementing or becoming adversary to the government regulation; (3) In countries where the two criteria are emerging, like Poland for instance, the focus is on establishing standards in the sector and the corresponding rewards or sanctions.

According to Bies' theory, Brazil would be classified in the third option but it's gradually moving to the first one. For example: there are some initiatives contributing to the promotion of transparency in the sector itself in the country, Phomenta is one of them. Founded in 2015, the organisation promotes knowledge of management and innovation in order to expand the social impact of charities in general. Understanding the importance of transparency for charities, the organisation became a member of the ICFO in 2018 and currently has certificated approximately 120 organisations based on the international standards.

Instituto Doar is another example, with the mission of expanding the donation culture in Brazil, the Institute was established in 2012 and has 2 main strategies: The first one is the promotion of management and transparency certification for charities; and the second one is the award for the 100 best NGOs in Brazil. The award seeks to recognize the NGOs that stand out annually for their excellence in management, governance, financial sustainability and transparency, the first awards were distributed in 2017 and they have gained significant publicity since then.

Another important example is the GIFE, a reference in Brazil about private social investment. Formed as an informal group in 1989, the organisation took shape and was constituted in 1995. The mission of the organisation is to share ideas and practices concerning the use of private sources to promotion of the common good. Currently the institute has been promoting conferences, monitoring transparency of their members in an online panel, created a governance indicator where organisations can self-evaluate the level of development of their governance and they have conducted the main study on private social investment in Brazil. In the end of 2010, GIFE, in partnership with the Brazilian Institute of Corporate Governance created the first edition of the Best Practices for Governance Guide for Non-Profit Organisations.

2.5.3 Other Effects of transparency

There are plenty of positive effects that transparency can bring to charities as already identified in this literature review section, additionally to the research mentioned, Harris and Neely's (2018) work for example establishes that as higher the level of transparency is of the non-profit organisation, the more donations they receive; Bourassa and Stang (2016) not only sustained this argument but also stated that transparency can attract more volunteers to organisations.

Transparency can lead to favourable reputation of the charity, even when transparency is not required (Christensen and Langer, 2009), thus, charities that refrain transparency might be perceived by the public as deviant. Another disadvantage for those charities that refuse to be transparent is the difficulties they find to establish partnerships and receive donations (Shumate and O'Connor, 2010). In Brazil, for example, in a behavioural research on high income donors (Abdal *et al.*, 2019), 76% of people who actively donate pointed out that they do it because they trust in the organisation and 60% of people that do not usually donate said that they do not do it because they do not trust in CSO's.

Despite the fact that the majority of the authors always bring a positive perspective of the effects of transparency, there are also some negative effects that transparency can cause. For example, as soon as transparency can increase expenses of the charities it can also boost the possibility of external disciplining of them (Christensen and Langer, 2009), the organisations can also lose flexibility and autonomy in decision making (Barringer and Harrison, 2016).

In fact, transparency seems not to be the only path to achieve the goals of the non-profit organisations, there are some organisations that resist to expose themselves to regulations or to expose their membership. Organisations like the Independent Media Center (IMC) and Alcoholics Anonymous from the United States are some examples of this type of organisation, even though they are not considered transparent in the eyes of the society and the government, they are running for a long time and have established an international network (Jensen and Meisenbach, 2015).

Jensen and Meisenbach (2015) importantly conducted research about Assisi House, where they evidenced why it is important to some charities to keep

themselves hidden in order to facilitate management tensions they face daily thus preserving their autonomy and cultivating support from external organisations. One example of many tensions that the charity can better manage being “invisible” mentioned in this empirical study is the possibility to serve the underserved people. Basically, the charity is a shelter that helps everybody, including undocumented immigrants or people who had criminal convictions of various kinds for instance, people that more transparent charities cannot help after all, as no company or donor is interested in being associated with this audience.

2.6 Conceptual Framework

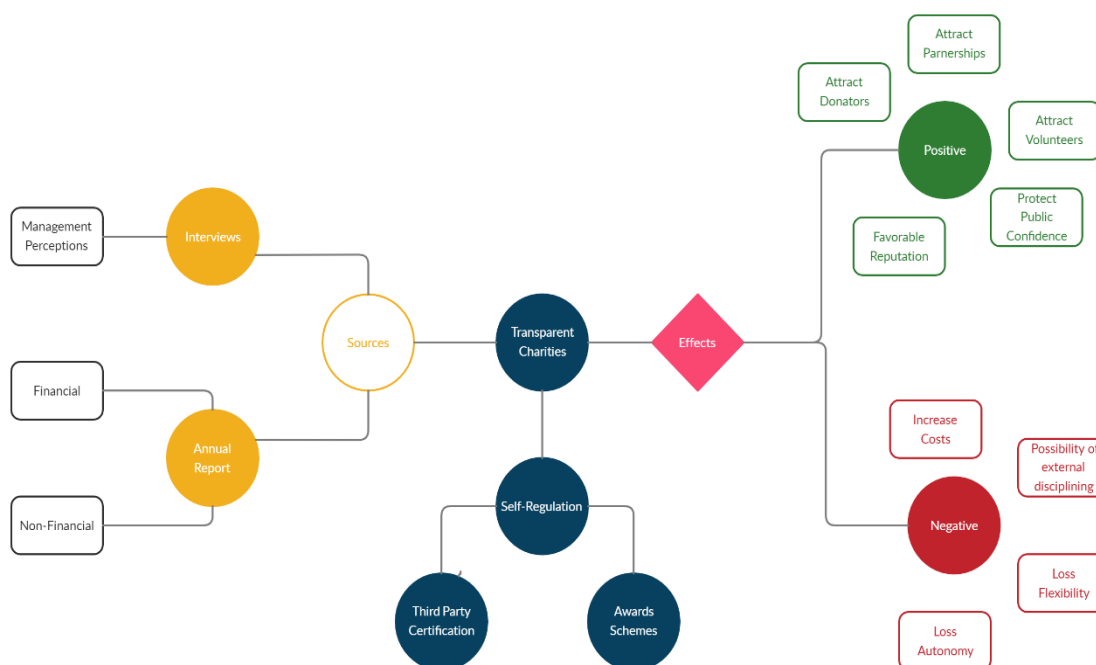


Figure 6: Conceptual Framework (Author)

According to Jabareen (2009), a conceptual framework is defined as a network or “a plane” of connected concepts that will help to provide an overall understanding of a particular phenomenon.

At this Conceptual framework, the yellow circles represent the sources utilised in this dissertation. The blue circles represent the sample criteria of charities that will be analysed, that is, organisations that have been recognised in awards schemes and/or have a third-party certification. The possible effects of transparency are connected to the pink diamond.

For this project, the author will utilise annual reports as secondary sources and intends to conduct semi-structured interviews as primary sources to answer the research topic. The author will gather information about a self-regulator institute for non-profits organisations in Brazil, focusing on the role of the institute in enhancing transparency practices within the charitable sector and analyse the challenges of implementing awards and certification strategies in an environment where transparency is voluntary. The study also intends to analyse the subsequent benefits or drawbacks of a sample of charities that were chosen winners of the awards promoted by the institute.

The possible positive and negative effects of transparency can be found according to the literature reviewed and help the author to structure the interviews and select the sample of charities to best answer this research topic.

The main theories and concepts about the effects of transparency can be identified in the literature as follows:

- **Attract donators:** refer to researches which have proven that transparency has a positive effect on attracting new donors or making those who already donate to donate even more (Sections 2.3, 2.4.1 and 2.5.2).
- **Attract Partnerships:** based on studies about the interest of the government and companies in charities and social responsibility and transparency is important for maintaining this relationship (Sections 2.4.2 and 2.4.3).
- **Attract Volunteers:** refer to studies which has proven that transparency has a positive effect on attracting volunteers (Sections 2.3 and 2.5.3).
- **Protect Public Confidence:** based on researches about the benefits of transparency on protecting the public confidence and the impact that its absence can have on the entire sector. (Section 2.3, 2.5.1 and 2.5.2)
- **Favourable Reputation:** refer to the positive effect of transparency on the reputation of the charities (Section 2.5.3)
- **Increased Costs:** refer to the negative effect of transparency, where it can increase administrative costs of charities, money that could be invested in their operations to expand its social impact (Section 2.5.1).

- **Possibility of External Disciplining:** refer to studies that have proven that some organisations can be disciplined by external bodies if they are more transparent, simply for helping certain groups of people (Sections 2.5.1 and 2.5.3)
- **Loss of Flexibility:** based on researches about how transparency can negatively affect the flexibility of the organisation to make their own decisions (Section 2.5.3)
- **Loss of Autonomy:** refer to researches that indicate that certain charities can lose autonomy for being transparent (Section 2.5.3)

All the effects of transparency of charities are connected in the literature review with historical and statistical data about corporate governance in the stock market and the philanthropic sector. This information justifies the need for transparency to maintain public trust.

Seeking to optimise good corporate governance practices in a whole sector, self-regulation and public regulation are the main options considered in this literature review.

2.7 Conclusion

This chapter was important to contextualize and help readers to understand the importance of corporate governance to the third sector and discuss the possible positive or negative effects of transparency within the third sector. In the next chapter the methodology chosen for this project is presented, and together with the literature it will lead to the findings of this research.

3 Methodology and Research Design

3.1 Overview

This section aims to bring a broad perspective of the main research methodologies contained in the literature and to explain and justify the reasons of the selected methods employed in this paper.

As shown in the literature review, there are plenty of researches and different perspectives regarding transparency worldwide. The findings of those researches can vary according to many factors, like for example, the context of non-profit organisations, the methodologies applied by the researcher, the questions to be answered and the sample selected. For this reason, the choice of the most appropriate methodology is extremely important for optimal results.

The topic in question, transparency in the philanthropic sector, has hardly been explored in Brazil, but almost never internationally. Thus, this project promises to portray important new perspectives to the academic world, with a combination of international studies and practical analysis from experts in Brazil.

This chapter addresses all the stages involved in the process of research work, from macro stages, like research philosophies and approaches to micro stages, such as the strategies and choice of methodology, time horizon, techniques and procedures of data collection and analysis. The main theories presented in this section are based on Saunders and Lewis (2012) and Fisher et al (2007).

3.2 Research Philosophy and Approach

According to Saunders and Lewis (2012), when we talk about **philosophy** within the academic world, we are discussing about the essence of individuals beliefs and assumptions. Those factors are fundamental to define the strategy of any dissertation, as we are going to see ahead in this chapter.

There are four main strands of research philosophy: Positivism, Realism, Interpretivism and Pragmatism.

The first, **positivism** is about generalisation, the focus of this philosophy is on tangible things. The researcher aims to predict certain effects while observing controllable conditions and those effects are highly probable to happen in any situation since the same conditions are applied. This principle is quite common on physical and natural sciences, where the researches are usually looking for facts based on measurable and controllable conditions that can be usually observed in laboratories, the famous Newton's Laws of Motion are great examples of positivism philosophy.

It would be impossible for business students to predict human emotions for instance, as they are something very intangible and dependent on countless variables, however it is possible to observe certain common behaviours like people's attitude in shops or in the stock market for example.

Secondly, **realism** is also about generalisation, researches with this viewpoint are less likely (compared to positivists) to offer predictions (Fisher *et al.*, 2007). In this philosophy mode, researchers believe that what is showed and can be observed is a fact, however, there is no space for assumptions here, after all, for realists, facts already exist, even if we cannot acknowledge them yet.

There are two types of realism: direct and critical, the first one articulates that what we see is a solid representation of reality and the second one, agrees with the same premise, but additionally they believe in other levels of reality, considering more variables like events and what cause those events. What is apparent is not enough for those researchers, they want to go deeper on understanding the variables and relationships of the study.

Interpretivists are concerned about the tremendous complexities involving the environment of their research subject. Interpretivist researchers do not believe in "universal truths" when talking about humans. They consider that every research is unique, and it represents a particular phenomenon that is caused by specific individuals, time, contexts, cultures etc. They believe that even the values of the person conducting the research plays a relevant part in the results obtained in the study.

Pragmatism is about choosing the philosophy of the research, not based on the values and the way that the researcher sees the world as they have seen before,

but it will depend on what is being searched. Pragmatic researches can have a more interpretivist point of view about the world but decide to conduct a study based on a positivist philosophy or mix both of them, depending on the question(s) and objective(s) of the study.

The most appropriate philosophy for this particular study is interpretivism, as the author of this project believes that reality is socially constructed and also because the topic of this research involves many complexities that the author will have to deal with, for example, the point of view of individuals interviewed and from those who answered the survey, size of the charities, time that it has been running and other context factors. A mix of academic and practice knowledge of people working with charities in Brazil might bring new outcomes and perspectives regarding the field.

The research **approach** are plans and the systems that researches adopt to conduct their projects. There are three main possibilities of approaches to conduct a research: induction and deduction and a mix of both.

The **deduction** approach seeks to explain causal connections between certain conditions. The researcher will test specific theories that have been created before starting the research process, and they will use those propositions and hypothesis to elaborate questions and to define the strategies of the study. This type of approach suits quantitative methodologies and can be related to a positivist philosophy. The researcher is looking for generalisations in this approach and tends to employ statistical procedures to examine the patterns among the variables.

Opposite to the deduction approach, **induction** moves from particular observed circumstances to broader interpretations and theories (Saunders and Lewis, 2012). The researcher that chooses this approach is commonly not looking for generalisations, instead, they are working with small samples and utilising a qualitative approach. That being said, it is logical to assume that interpretivists are more likely to utilise this type of approach.

For this study, a combination of both approaches will be employed to bring a better understanding with regards to the effects of transparency of a small sample of charities in Brazil. Because there are currently 781,921 foundations and

associations in Brazil (IPEA, 2019), identifying a statistically representative number of charities would require a disproportionate effort. Additionally, the small number of previous literatures about charities in Brazil, the time to conclude the project, and physical limitations (considering that the author is conducting the research in Ireland) had to be considered and therefore, a purely deductive approach does not seem to be adequate to fulfil the necessities of this project. An inductive and deductive approach will be applied to this project to seek more valuable and trustworthy findings, quantitative and qualitative data will be collected and analysed. The author believes that a combination of both approaches seems to be more adequate to gather more accurate findings.

3.3 Research Strategy

According to the Cambridge Dictionary, a strategy is a meticulous plan for accomplishing success in certain situations. For this research, the strategy adopted will enable the author to answer the question of this dissertation about the effects of transparency on charities in Brazil. Before looking at the main strategies available for business students in the literature and explaining the best strategies chosen for this dissertation, it is important to understand the different types of studies. Saunders and Lewis (2012) pointed three main different types of researches: exploratory, descriptive, and explanatory.

Firstly, **exploratory** studies are about discovering new facts, the researcher does not have clarity about a given topic and might not feel prepared to conduct a large full-scale project about something until it is explored further or not even explored yet. Instead, they will usually utilise methodologies that allows them to answer initial questions about this topic, conducting interviews, or searching in the internet for example.

Secondly, **descriptive** researches aim to explain a fact, to describe meticulously a particular group, situations, or events. In this case the researcher is not looking for reasons or conclusions about the research topic, they are seeking to describe it in detail. For this mode of study, analysis of secondary data, questionnaire surveys and samplings are common methodologies to be applied.

Finally, **explanatory** studies look to explain certain question(s), to investigate why it has occurred and to analyse the relationships between the variables involved in the study. Generally, case studies, historical analysis and statistical surveys are methodologies used when the research has its purpose.

Analysing all the purposes mentioned above, the one that best suits for this dissertation is exploratory because even with the vast number of researches about transparency that has been conducted worldwide, including transparency of the third sector, there has been limited number of researches considering the context in Brazil. This purpose is considered more versatile by Saunders and Lewis (2012) and will give the author more freedom to adapt its hypothesis, according to the new findings during the research process.

There are a broad number of strategies that can be adopted to miscellaneous research projects, in this chapter, the author is explaining the main ones appointed by Saunders and Lewis (2012), which are: experiments, surveys, grounded theories, case studies, action researches, ethnographies, and archival researches. Each of these strategies can be utilised in any research purpose or approach, as mentioned before, some of them seem more suitable to one mode, but the research strategy has to be chosen according to the research question and within the possibilities and conditions of the researcher. There is no "cake recipe" or laws to be followed in academic literature, therefore each case has to be analysed individually.

It is important to know that **experiments** tests hypothesis. In this mode the researcher is focusing on understanding the causal links among different variables, for this to happen they subject the object of study to different conditions and analyse what has changed under each different circumstance.

Immensely popular between business students who are conducting exploratory or descriptive researches, the **surveys** are very practical and allow the researchers to gather and analyse information from a large sample in a short period of time. When we talk about surveys, we usually think about questionnaires, but interviews are also a possibility here. It can be conducted face-to-face, by telephone, the internet, or any other communication resource.

Charmaz (2001) introduces **Grounded Theory** as an inductive and comparative methodology. Usually the researcher in this case wants to build a new theory and they can utilise many methodologies to do it, like observations and/or interviews for instance.

Case studies are commonly applied when the researcher is looking for a detailed understanding of a specific context. For example, the researcher could be trying to analyse characteristics of leadership of managers of one Big4 firm, for that, they could conduct interviews, questionnaires or to observe the auditors working or even a mix all methodologies. In case studies, the researcher is usually looking for reasons for something to happen in a specific context and they are generally used in explanatory and exploratory studies.

The difference between **Action Research** and Case Studies is that in the former, the researcher is looking from inside of the situation (they could be part of the organisation for instance), while in the latter situation, the experimenter is looking from outside (they are not part of that environment). Organisations are usually interested in this type of project when it promises certain change or action for improving something. The collaboration between practitioners and researchers are essential for the success of this research strategy.

Saunders and Lewis (2012) stated that **ethnography** has roots in the anthropological researches of ancient civilizations and as this strategy demands a lot of time, it is not quite common in business research. The focus of this methodology is about understanding and describing how people used to live instead of using people as an object in the research process.

Archival research, as the name suggests, is about analysing past documents and records as key sources of evidence. This strategy is not frequently used by business students as the main source, as it might not be very appropriate to produce reliable findings, however, it may play an important role to supplement other sources collected by researchers.

Given the above, researchers have the options: (1) to choose a **mono methodology** where they will use only one strategy to collect data and one approach to analyse it; (2) to **mix the methodologies**, combining techniques and analysis procedures; or (3) to choose **multiple methodologies**, where they will

conduct the research with more than one strategy to collect the data and analyse it with a corresponding approach, for example, the researcher would conduct interviews, record data and would analyse it with qualitative techniques.

Time horizons are also relevant to be considered when deciding strategies for any research project. Saunders and Lewis (2012) differ time dimensions for studies in two designs: **cross-sectional and longitudinal**. Respectively, the first one is like photography, the researcher will be collecting and analysing information from only one period of time. Conversely, the second one analyses changes that occur over time.

As we are going to see in the next subchapter in more detail, this study has utilised and will utilise multiple methods of data collection, seeking for better quality on findings. Initially, in the literature review section, the author found it necessary to understand even more deeply the context of charities in Brazil and also gain knowledge about previous theories related to the effects of transparency and the philanthropic sector with studies conducted in different countries. For a better understanding of the context of charities in Brazil, the author utilised secondary sources like Brazilian laws, academic literature, important newspapers, statistical sources and published academic books. All this information presented in the literature review will help the author to form questions for the online questionnaire form and for the interviews.

In the following phase of this dissertation, the author will utilise archival research techniques from a longitudinal design, where he intends to analyse financial statements from the charities that won the "100 Best NGOs 2017" award. The period to be analysed will be from 2016 to 2018 and a quantitative approach will be utilised to analyse the variations of their finances.

The author also intends to utilise the same strategy (archival research), but from a cross-sectional design to gather information from the website of those charities, aiming to investigate common practices of transparency published on their webpages in the year that the research was conducted (2020), and will also perform quantitative and qualitative analysis on the data collected.

Ultimately, after analysing those secondary sources for better insights into the situation in the charities in Brazil, the author intends to conduct a questionnaire with the staff in 100 charities and further conduct an interview with 5 of (CEO/ Manager/ Finance director) them as primary sources to gain a deeper understanding about the effects of transparency in the sample selected. A cross-sectional design, with quantitative and qualitative approach, respectively, will be used for analysing *the results of these questionnaires & the interviews*.

3.4 Collection Primary Data

3.4.1 Sources

As mentioned before, a combination of primary and secondary data will be fundamental to answer the research questions of this dissertation. Before selecting a sample of charities, the author decided to conduct an informal interview with the management of Instituto Doar, a self-regulatory Institute that was established in 2012 in Brazil. The main objective of this interview was to gain a broader understanding about what the organisation does, why it was created and to hear about their perspectives relating to the effects of transparency for the philanthropic sector in Brazil. This interview will help the author to decide what would be the best sample to be utilised in this research.

The Instituto Doar was chosen for this first interview because their mission encompasses the theme of this research, which is to increase the giving culture in Brazil. To accomplish their ambition, the Institute has two main strategies: (1) providing management and transparency standard certification within their own sector; and (2) promoting an annual award, aiming to benefit and recognise the 100 Best Charities in the country. As shown in the literature review chapter, the third sector in Brazil lacks regulation from the government and the Institute has an important role, promoting two of five self-regulatory strategies identified by Warren and Lloyd (2009).

After the interview with Instituto Doar, the author decided to choose as a sample for this research the 100 NGOs that won the first award promoted by the Institute in 2017. The award criteria are: administrative and financial structure, presence

of management boards, fundraising strategies and transparency. Thus, those charities suit perfectly for the purpose of this exploratory research.

The year of 2017 was chosen because the author will be able to analyse the effects of the awards within the financial statements of the organisations during the year before and after it happened. It was also observed that many charities have not disclosed their Financial Statements of 2019 until this point of the research, possibly because of the COVID-19 pandemic that is occurring during this period worldwide, which has changed the timeline of many companies.

The author will send emails to all award winners with an online questionnaire and the ethics consent form, which are available in the Appendix B and C of this document. The list of the award winners is available on Instituto Doar website and it was also published in a famous magazine in Brazil (Época) in 2017. To have access to the emails of those organisations, the author accessed their websites and also acquired a contact list from Instituto Doar, who kindly decided to collaborate with this research project. The questions of this survey will be elaborated based on the effects of transparency discovered in the literature review.

The survey will provide some quantitative data, but not qualitative understanding of it, for this reason, the researcher will also conduct interviews with a sample of 5 of those charities. Before the interviews, it will be necessary to analyse the findings of the survey and secondary sources (which will be further explored in the next paragraphs).

Diversity of social cause and size of the organisations will be the criteria for selecting the interviewees. As the research is being conducted in Ireland and also because of an immediate pandemic, as stated before, all semi-structured interviews will happen via the internet.

Secondary research data will be accessed from financial statements of the 100 organisations from 2016 to 2018 that are disclose on their websites. The objective is to analyse what, if anything, has changed from a financial perspective for those charities before and after the awards. An analysis of relevant publications of those 100 charities', found on their websites, will also be necessary to find out what are their transparency practices.

3.4.2 Access and Ethical Issues

For the purpose of this research, it is very important that variables such as the time period during which the organisations have been established and the size of the organization (income per year) are taken into account, as these factors may influence the results of this dissertation. The organisations must be established for at least 5 years within the sample analysed. Time criteria must be adopted as noticeably young organisations might not have enough maturity and experience to answer the questions of this project properly.

Regarding ethical issues, high standards are being adopted to this research, all according to the recommendations of Griffith College. For example, all participants will be informed about the purpose of the research and will sign a consent form (Portuguese and translated into English) of voluntary participation in the project. The right to confidentiality and anonymity will be assured during the whole process and all data collected will be treated in the most ethical and professional way possible.

The informed consent form will be sent to all participants at first contact and it will not be possible to answer the questionnaire or participate in the interviews without having read and agreed with the terms of the form. The interviewees will also be informed about their rights verbally before the interview, for example, the right to withdraw at any time or to refuse to answer any question(s). Their permission to record the interview will be requested also in written and verbal consent.

As the interviews will be conducted in Portuguese, a transcript in Portuguese will be sent to all participants to review. The questionnaire will also be answered in Portuguese and the findings will be translated, however, as some companies might answer anonymously and the purpose of this questionnaire is to produce quantitative data, it will not be necessary to translate answers individually and send it back to the participants for review.

The author will make himself available to present the main findings of the research and also will send a copy of the original dissertation upon request of the participants, the main findings will be available in English and Portuguese. The

results of the dissertation should not cause any disadvantage, disturbance or uneasiness to any of the participants or charities.

3.5 Approach to Data Analysis

Firstly, when analysing the website of the 100 non-profit organisations, the author will make a quantitative and qualitative analysis of the criteria adopted to observe transparency practices among these NGOs. The factors that will be analysed on the websites are as follows:

- a) From where is the charity? (State in Brazil)
- b) Is this organisation present in other countries or only in Brazil?
- c) What is the main cause of the charity?
- d) When the organisation was established?
- e) Is there any type of accountability on website of the organization from the last year? (2018 and 2019 will be considered)
- f) Is there at least one audit report available on website?
- g) If yes, was the charity audited by a Big4 firm?
- h) From those charities audited, was there any qualified opinion in the audit reports? (From 2016 to 2018)
- i) What is the most common reason for qualified opinions?
- j) Did the organisation make an annual report for the past year and has it been posted on its website? (2018 and 2019 will be considered)
- k) Does the charity have the Instituto Doar Management and Transparency Standard Certification available on website?
- l) Are the names of the supervisory board available on website?
- m) Is the website available in other languages? (At least one foreign language)

Moving on to the next stage, the author will collect data from the income statement of the 100 organisations from 2016 to 2018 (when available on its website). Subsequently, a horizontal analysis of the financial statements of the charities will be conducted, the main objective will be to identify variations in the amount of donations received before and after the awards, also to analyse what is the annual gross income average of the organisations and lastly, identify where the entity ended the accounting period with a surplus or deficit. All that information is relevant to gain understanding about the financial perspective of the organisations, qualitative (quality of the financial statements and independent audit opinion) and quantitative data (variations in the total income

and in the number of eventual donations from individuals and companies as well as annual financial performance) will be analysed here.

As the third stage, an online questionnaire will be conducted, and a quantitative analysis of the answers will be necessary to analyse 19 of 22 questions (As shown in Appendix B). Among the quantitative part of the questionnaire, there are multiple choice and likability scale questions. There are also 3 open questions that will be analysed from a qualitative approach, identifying and labelling words of the answers.

The last stage of data analysis and interpretation would be an analysis of the transcripts of the interviews, the semi-structured questions of the interview can be seen in Appendix D. It will be necessary to label relevant words that could be identified as advantages or disadvantages of transparency or non-transparency for the sample of charities chosen for this research and finally answer the research question about what are the effects of transparency to charities in Brazil.

3.6 Conclusion

Saunders developed an especially important research methodology framework in 2007 (the research onion), which served as a theoretical basis to structure this section of the dissertation. The author aimed to explain all the stages of this framework, covering all stages of a research process in both a broad and specific way, according to what best suited this project.

Summing up, the philosophy that will guide this research is interpretivism and the justification for this choice is based on the author's point of view about the world. In the author's opinion, there are no absolute truths or laws regarding the subject of social sciences, the reality that we can see is socially constructed and many factors might influence it. In this research, for example, the point of view of those interviewed will depend on their age, time working in the company, professional background, and other factors.

Based on the premises mentioned above, the author will use deductive and inductive approach to this thesis, working with a small sample that can be analysed in more depth in a qualitative way, with some quantitative analysis.

This study is considered exploratory. It aims to discover new facts that have not yet been brought to light when considering the more recent context of the effects of transparency on charities in Brazil.

Multiple methodologies will be utilised as strategy for data collection, including analysis from the charities' websites, analysis of their financial statements, online questionnaires, and interviews. These techniques will have cross-sectional and longitudinal designs, and all the specifications have been explained in detail in this chapter.

The choice for multiple techniques is to create connections between the information collected, giving a broader and clearer view on the topic of this research. This section also explored ethical issues and justifications for the choice of the sample that will be utilised for this thesis.

4 Presentation and Discussion of the Findings

4.1 Overview

This section aims to present the data gathered in this study, to analyse, and discuss the findings obtained from it, and finally comparing them with the main theories previously presented in the literature review chapter.

As previously explained in the methodology section, archival research from the website of the 100 Best NGOs in Brazil in 2017, according to Institute Doar, an analysis of their financial statements, online questionnaires and semi-structured interviews were conducted for better data coverage.

The respondents of the online questionnaire and interviews addressed questions based on their experiences and perspectives about transparency in the philanthropic sector in Brazil. A thematic structure based on the literature and conceptual framework was adopted to organise the discussion in this section.

4.2 Archival Research Findings and Discussion

4.2.1 *Website and Financial Statements data main findings*

The sample analysed in this archival research stage is very diversified, covering charities established in 15 out of 27 federative units in Brazil. Nevertheless, the majority of charities which won the 100 Best Charities awards in 2017 are from São Paulo, representing 47% of this sample (Figure 1 – Appendix E).

Most of the charities are present only in Brazil while 20% are also established around the world. The missions of these organisations are multiple (Figure 2 – Appendix E), in which, 31 charities have as the main cause Social Welfare, followed by Children and Adolescents with 14 organisations and Healthcare/Local Development (both 12 organisations).

Medium and large sized organisations prevail within the chosen sample, the first group is represented by 50 charities (Annual Average Income from 1 to 10 million BRL - Approximately from 250,000 dollars to 2,500 million dollars) respectively, and the second group is represented by 33 charities, with a turnover of more than 10

million BRL annually. There are 4 charities with annual average income under 1 million BRL and 5 organisations with annual average income over 1 million BRL, it was not possible to identify the size of 9 organisations (figure 3 – Appendix E).

As mentioned in the methodology, for the success of this project, all the charities must be operating for more than 5 years for reasons of maturity and experience. All the charities met the criteria and 96 of them have been running for more than 11 years (figure 4 – Appendix E).

From the website analysis, the author noticed that 83 organisations from the sample have some type of accountability on their web pages, making their finances publicly available. Some charities preferred to include their financial statements on their Annual Report, others preferred to make only graphical representation on their website but the majority of the NPOs decided to disclose their financial report separately in a place on website called “transparency”.

It should be noted that 62 of those charities also made available their annual audit reports and 15 of them were audited by one of the Big 4 audit firms. The quality of the financial statements varied widely; it was exceedingly difficult to observe patterns within the Financial Statements of the organisations selected for this research. Between 2016 and 2018, there was at least one qualified audit opinion in the Audit Report of 12 charities. The reasons for qualified opinions were usually either related to IAS 16 (Property, Plant and Equipment), where the NGOs did not have reliable internal controls to evaluate their fixed assets and also problems related to the absence of controls apart from the accounting system about the vast amount of donations that they have received. Issues related to IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors) and disagreement on the interpretation of law related to tax exemptions were also noticed.

Annual Reports were present in 80 websites, the majority contained information of high quality regarding the achievements in the year of review, which were branded to a professional level. The name of the directors, supervisory boards and in some cases, advisory boards were available on 88 websites, many of them still published their company by-law and Executive Board Minutes. There were 32 websites also available in other Languages, usually in English or/and Spanish.

From the 83 charities that presented any type of accountability on their websites, 12 of them just published information only from 2019 or 2018, for this reason, 71 organisations were considered for the second stage of this work (Appendix F).

Observing the explanatory notes and the surplus or deficit statements of the NPO's, it was possible to identify eventual donations from individuals and companies of 44 charities in 2016, 62 charities in 2017 and 67 charities in 2018. The main findings about the percentage variation in donations of these samples will be showed on the table below.

	16/17	17/18	16/18
Sample Size	44	57	41
Mean	10%	26%	33%
Median	2%	5%	11%
Standard Deviation (sample)	29%	84%	81%
Minimum Variation	-48%	-78%	-62%
Maximum Variation	79%	519%	327%

Table 1: Analysis of percentage changes in eventual donations from the 100 Best Charities 2017 (Author)

As demonstrated in table 1, overall, the percentage of changes in eventual donations of individuals and companies in between 2016 and 2017 is close to 10% (mean) as the standard deviation is relatively small. The opposite happened when comparing the year of 2017/2018 and 2016/2018, where the percentages varied substantially, especially on NGO 49 (Maximum Variation – Appendix F), which is pushing up the mean of the sample by 9% (17/18) and 7% (16/18).

The INSTITUTO DOAR awards ceremony happened on 7th August 2017 and were instantly published and made available by Época Magazine. It is possible to assume that a financial impact (if any) might have started to happen from the last quarter of 2017 due to the advertising gain that these NGOs obtained. However, it is not possible to correlate any increase or decrease in the amount of donations based on the awards only factor. It is necessary to consider that the figures presented in the financial statements are absolute, therefore the numbers are a combination of several strategies implemented by the organisations in question.

The figures presented in this section are important to obtain a big picture of what was happening within the organisations in this sample, before and after public

recognition due to the awards, which supported the author to select the 5 NGOs to interview and also to correlate the answers with the online questionnaire.

To sum up the analysis of the financial statements, it is important to state that 63.3% (38 out of 60 organisations) ended 2016 period with surplus, the same occurred with 57.7% (41 out of 71 organisations) in 2017 and 56.7% (38 out of 67 organisations) in 2018. The gross average income percentage change were: (1) between 2016 and 2017: 2% with standard deviation of 0.24; (2) between 2017 and 2018: 9% with standard deviation of 0.36 and (3) between 2016 and 2018: 8% with standard deviation of 0.52. Those number are indicative of efficiency, which means that most of the organisations had a positive financial performance during the years analysed and also implies that eventual donations from individuals and companies are not the only source of income of those NGOs. In fact, during the 3 years, eventual donations from individuals and companies represented an average of 30% of the gross income of the sample analysed. Income from the government, sponsors, financial applications, volunteering, services provided, sales of products and others represent the other sources of income.

4.3 Survey and Interviews Findings and Discussion

4.3.1 Online Questionnaire data Findings

For the purpose of this study, an online questionnaire was sent by e-mail to all 100 Best Charities of 2017 but only 39 individuals from different charities responded to the survey. The profile of respondents is:

Length of service in the organisation	Director	Manager/Coord.	Others	Total Time
Less than 1 year			2	2
From 1 to 2 years	1	2		3
From 3 to 5 years	1	7	1	9
From 6 to 10 years	3	5	1	9
More than 11 years	11	3	2	16
Total Position	16	17	6	39

Table 2: Length of service and position held within the organisations of the survey's respondents (Author).

According to table 2, 85% of the respondents occupy leadership positions within the organisations and 64% of them are working in the NGOs for more than 6 years,

which means that most respondents to the online form have expertise in the field regarding the organisations that they represent. The following graph will illustrate an outlook regarding the size of the responding organisations compared to the total sample.

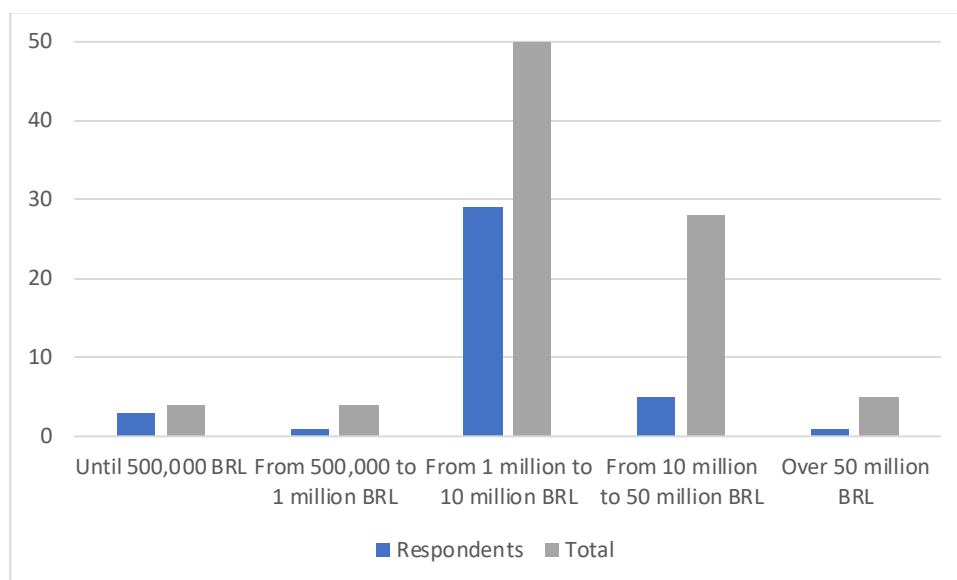


Figure 7: Comparison of the representativeness of the organisations that answered the online survey according to their sizes (Author).

As seen in figure 7, 58% of the total charities with an annual average income from 1 million to 10 million BRL answered the online questionnaire, totalling 29 answers, which represents 74% of the total sample. There were 4 respondents from charities earning less than 1 million BRL and 6 from charities that earn more than 10 million BRL per year.

From the total of 39 respondents, there were 6 international charities, 29 of them outsourced their accounting, 35 have an external audit at least once a year and 31 have their financial statements available on their websites.

With regards to a self-regulatory body, 95% of the respondents believe that it is very important to have that type of organisation promoting transparency within the philanthropic sector, 3% considered it important and 3% stated that it is not important at all. From 38 respondents, 15 declared that the advertising gain with the recognition of the awards attracted more donations to the organisations, 14 did not notice any increase in the number of donations regarding the awards and 9 did not feel able to make any statement about it. From the 15 people who

noticed an increase in the number of donations in their organisations, the average increase was 14.13%, with answers varying between 1% and 50% and with standard deviation of 13.15%.

None of all participants perceived any downside regarding to winning the award, 3 of them have not perceived any benefit or did not feel able to measure it, 36 of them perceived the benefits appointed in an open question as follows: greater Visibility/Gain of Publicity (30); greater credibility (14); internal motivation (6); establishment of new partnerships (5); more respect (3); it is what make us different from other organisations (3); better reputation (3).

Regarding the findings from the literature review about the effects of transparency, the author elaborated 9 statements for the participants to evaluate according to their opinion in a Likert Scale (for the purposes of this research, the interpretation of transparency is limited to the disclosure of the activity report and financial statements on the organisation's website), the statements and the results of the questions are illustrated below:

- 1)** A transparent organisation attracts more donors (individuals)
- 2)** A transparent organisation is more likely to establish partnership with private companies
- 3)** A more transparent organisation is more likely to enjoy tax benefits and have access to public resources
- 4)** Volunteers are more attracted to engaging with more transparent NGOs.
- 5)** Transparency is very important for maintaining the trust of society.
- 6)** Good transparency practices can improve the reputation of an NGO.
- 7)** Maintaining transparency standards increases organisation costs.
- 8)** Transparency can cause some NGOs to lose flexibility in decision-making, hindering the achievement of their mission.
- 9)** Financial scandals, involving corruption or fraud for instance in a small group of NGOs, can negatively affect the entire third sector.

Statement	1 Totally Disagree	2 Partially Disagree	3 Partially Agree	4 Totally Agree	Average
1	3%	0%	5%	92%	3.87
2	3%	0%	10%	87%	3.82
3	3%	10%	21%	66%	3.50
4	3%	0%	21%	76%	3.71
5	3%	0%	5%	92%	3.87
6	3%	0%	3%	94%	3.89
7	16%	26%	42%	16%	2.58
8	45%	39%	11%	5%	1.76
9	3%	3%	24%	70%	3.63

Table 3: Proportional distribution of NGOs responses related to statements on Transparency (Author)

In general, most of the participants agreed with the statements related to the positive effects of transparency found in the literature review, however, the answers about the negative effects (Statement 7, 8 and 9) was perceived in a more heterogeneous way. These statements and the last open question of the online questionnaire will be discussed in more detail in the subchapter number 4.3.3, when it will be possible to link to the answers collected in the interview stage.

4.3.2 Interview Respondents profile

For this stage of the research process, 5 charities from different states were selected. All the organisations are present only in Brazil, the main cause of those charities are: Social welfare (3), healthcare (1) and local development (1). The size of these NGOs also varied, being 1 large NGO (Gross income from 10 million to 50 million BRL), 3 medium sized NGOs (1 million to 10 million BRL) and 1 small NGO (100,000 to 200,000 BRL). The rich variety in the chosen sample will bring more quality of primary source in this exploratory research, considering that Brazil has different levels of economic development by state and that factors like cause and size also influence the perspective of the respondents. The following table shows a summary of the participants.

Respondents	Gender	Qualitication	Position in the Organisation	Industry Tenure (Years)	Organisation Tenure (Years)	Time in role (Years)
P1	Male	Master of Business Administration	Manager	11	3	3
P2	Female	Specialization in Communication	Below Manag.	4	4	4
P3	Male	Master of Business Administration	Director	16	16	4
P4	Female	Masters in Philosophy	Director	12	12	12
P5	Female	Specialization in Communication	Manager	20	8	4

Table 4: Bio data of Participants (Author)

4.3.3 *Thematic discussion and findings*

Governance and good transparency practices for non-profit organisations

Question 1

Considering the context of non-governmental organisations governance practices in Brazil. What does transparency mean to you?

The first question of the interview aimed to obtain a perspective of the respondents about the context of transparency in the third sector in Brazil. On the whole, most of the charities in Brazil were considered honest and transparent by the interviewees. However, it was mentioned that unfortunately the organisations that most appear on the news in the country are not those ones which are doing suitable work, but the corrupt and dishonest ones in the occasion of a scandal; charities that according to the respondents are a minority and do not represent the industry (All participants).

Participant 5 for example, mentioned that she already had bad experiences when mentioning that she works in an NGO to other people in a supermarket, where a senior man associated her profession with corruption. In fact, 95% of the survey respondents agreed that financial scandals in a small group of charities can negatively affect the entire sector, and in the participant's opinion, maybe this man didn't have much knowledge about what he was talking about, but his perception is perhaps part of a broader sense of the mistrust of Brazilians in philanthropic organisations.

To combat this bad reputation issue, all respondents of the interview stated that professionalising the sector is a key strategy to improving the level of transparency within the sector and consequently the level of trust of people,

businesses, and government. These statements are in line with the theory of Striebing (2017).

Krishnan *et al.*, (2006) pointed in their study that some charities can manipulate their accounting aiming to show a better financial efficiency on their reports. Participant 1 mentioned that he has noticed that some organisations also choose what they want to show, if they had a qualified audit opinion in one period for example, they do not publish it on their website. After all, many of the organization's bylaws oblige them to contract an independent audit, but it is not compulsory to publish this opinion on the organisation's website and in this case, only interns have access to this audit report. Those and other problems involving application of resources can emerge from charities because of its lack of agents directly monitoring those organisations (Greenlee *et al.*, 2007).

Question 2

What are the transparency practices adopted by your organisation and why do you believe these strategies are important?

This question was developed intending to understand what the organisations interviewed practice in terms of governance and transparency. To combat the agency problem (Greenlee *et al.*, 2007) mentioned in the paragraph above, some charities developed a governance system. They hired specialised firms in the subject to develop it, even before the Corporate Governance Guide for NGOs developed by IDIS in partnership with the Brazilian Institute of Corporate Governance, in 2010 (P1; P3).

Participant 1 stated that showing mistakes and weaknesses of the NGO brought their sponsors much closer to them. He noticed that because they were being more transparent with those companies, they started engaging more with the charity and started donating more money to them. Sponsorships that used to finance 50% or 60% of their projects started financing 100% of them after this new practice. He also mentioned that big corporations in Brazil are demanding more transparency of the third sector, for example, he said that some of their sponsors wanted to talk with their supervisory board before establishing any partnership with the NGO. They wanted to verify if the board was real, trustful, and present in the activities of the organisation.

Besides the supervisory board, some interviewees mentioned an administrative/consulting board, which is independent from the executive board and has the mission to assist the executive board at a strategic level (P1; P3; P5). This board might also have the power to fire all the directors or even change the mission of the organisation in some cases (P1). In few words, more important than having a set of boards in the social statute of organisations, it is important to really practice the strategies of corporate governance and this is a new process that NGOs are going through in Brazil, motivated mainly by the pressure of the private sector (P1).

Positive Effects of Transparency on the philanthropic sector

Question 3

What are the positive effects that transparency practices brought to the organisation in which you work? If possible, provide examples of situations observed in your professional career to support your answer?

Beside the findings of the online questionnaire about the positive effects of transparency (which were based on previous theories) on the philanthropic sector, the question above was connected to the previous one (what are the transparency practices adopted by your organisation), where the author was trying to identify patterns about positive effects of transparency observed during the professional experience of the interviewees, some answers might or might not have been pointed out in previous theories.

Parsons (2007) is one of the authors that have identified positive effects on transparency practices of charities, he stated that the disclosure of financial statements can be beneficial on people's decision to donate. Actually, 37 of 38 (97%) online survey respondents agree that transparent organisations attract more individual donors and private company sponsors.

On the whole, all respondents of the interview perceived positive effects on transparency practices, mentioning credibility gain and external perception of professionalism as main consequences of those practices. Participant 5 stated that they have won more loyalty from their donors with good practices of

transparency, which allowed them to have a higher retention rate of donors compared to the average of other charities in Brazil, which is 70%.

Participant 1 established that he does not believe that individuals in general look at their financial statements because they do not necessarily know how to interpret them but he noticed that sending reports to the donors after any donation campaign made many eventual donors start donating monthly, which consequently increased the average income from individuals donations. Participant 2 stated that transparency content do not have the same engagement on social media's as postings about the day-to-day of their projects for example, but they perceived that more people donated in fundraising campaigns when they linked these campaigns to their annual reports.

Corresponding to Bourassa and Stang's (2016) theory, almost all participants (97%) of the online questionnaire believe that volunteers are more attracted to engaging with more transparent non-for-profit organisations.

When asked about the benefits of transparency regarding tax benefits and to have access to public sources, 86% of the online survey respondents believe that transparent organisations are more likely to enjoy it. As mentioned in the literature review, a regulation mark regarding the partnership between NGOs and the government was necessary to be made due to some major scandals involving those parties that occurred in 2011.

Participants 1 and 4 stated that they do believe that the process to have access to public sources is clearer and more transparent nowadays regarding to the union, states, and some big cities. However, they mentioned that in small cities in Brazil, some city halls do not transfer the money that should be allocated to some NGOs. They also stated that some bidding processes for public partnerships are confusing and often depend on the personal interests of the city rulers. Participant 4 even declared that transparency can be perceived as a threat by the government, because they are showing how inefficient the State is. She acknowledged the positive changes that this regulation brought to Brazil at the national level but showed clear discontent when the matter is taken to the municipal level.

In line with multiple authors (Connolly & Hyndman, 2013b; Cordery & Morgan, 2013; Keating & Frumkin, 2003; Morgan, 2012, as cited in McDonnell, 2017), 37 of 38 (97%) representatives of the organisations respondents in this research also believe that accountability and transparency are fundamental abilities to continue maintaining the trust of society and that those practices can improve the reputation of them.

Besides the positive effects of transparency presented in the literature review chapter and discussed in this chapter, the respondents of this study also pointed the following perceived benefits related to good transparency practices: (1) better engagement of the staff of the organisation; (2) more security in the organization's management processes and, consequently, more confidence from managers for decision making; (3) more financial security to the charities as a consequence of more fundraising.

Question 4

When you were creating strategies regarding transparency of your organisation, were you most concerned about government, individuals or companies as your target audience? Why do you believe these strategies are important to them?

The question was created to gain knowledge about the influence of the stakeholders in decision making regarding transparency strategies. When creating strategies regarding transparency practices, most of those interviewed demonstrated to be more concerned about private companies, individuals, and government, in this order. The justification for this scale is that companies are more demanding regarding NGOs' transparency practices. One respondent ranked individuals first, but this only happened because donations from individuals are the main source of revenue for this organisation. All those who answered this question placed the government as last priority when creating strategies and processes of transparency. This was justified because there is not a high level of spontaneous oversight from the government in Brazil, and when they need to apply for a public partnership, they know exactly what to provide to the government, because there is a list of documents that they need to

present, so, they do not need to be innovative when we are talking about being transparent to the government, the rules are already established by laws.

Those findings imply that mainly for those organisations that depend on donations from large private companies, they need to adapt themselves to the rules and demands of the private sector.

Negative Effects of Transparency to the philanthropic sector

Question 5

Considering the context of Brazil, why do some organisations choose not to be transparent?

The question above was created to perceive the perspective of the interviewees about the organisations that are not transparent.

Participant 3 stated that NGOs are born with a strong purpose and idealization, but it takes time for this organization to become professional and this is one of the reasons why some charities are not transparent in Brazil, because they do not have enough financial resources, knowledge or maturity for that yet (P1; P2; P3; P5).

Regarding large philanthropic organisations that simply choose not to be transparent, participant 1 and 3 established that maybe these organisations are hiding something. This statement consists with Christensen and Langer's (2009) theory about charities that choose not to be transparent be seen as deviants by the public. He also mentioned that in the last organisation where he used to work, the external audit was pro bono and for this reason, they were the last priority for the audit firm. As a consequence of that, they used to take a long time to get the auditor's opinion, often several years, and as a result of it they lost many opportunities of partnership. The difficulties to establish partnership and receive donations as a result of the lack of transparency practices was also pointed on Shumate and O'Connor's (2010) theory.

Contrary to those statements, one respondent of the online survey stated that their organisation does not have interest in making their financial statements public on their website because they do not depend on eventual donations of

individuals or private companies. The organisation does have transparency practices but all the strategies of transparency focus on their major sponsors.

Question 6

What are the negative effects that transparency practices brought to the organisation in which you work? If possible, provide examples of situations observed in your professional career to support your answer.

The question was elaborated to gain more insights about the negative effects of transparency based on the interviewees professional experience, which might or might not have been seen in the previous scholars.

Christensen and Langer (2009) and Barringer and Harrison (2016) concluded that in some cases, transparency practices can bring negative effects to the non-for profit organisations. The first authors stated that transparency could boost the possibility of external disciplining and the second authors perceived that eventually some charities could lose flexibility and autonomy in decision making. According to the results of the survey, 45% of the participants of this research did not agree at all with this point of view (17 out of 38), 39% (15) partially disagree, 11% partially agree and 5% totally agree. One of the participants that totally disagree with the statement 8 of the survey (chapter 4.3.1) established that making the company's by-laws available to the public expose director's personal information and that publishing financial statements can generate questioning from people who do not necessarily understand how to interpret them.

Question 7

One statement that completely divided respondents' opinions, was that "maintaining standards of transparency increases the organization's expenses." Why do you believe that the percentage of agreement and disagreement of this statement was so diversified?

The statement mentioned above, which was made based on Barringer and Harrison's theory (2016) was the statement that most divided participant's opinion

as it can be seen on table 3, for this reason, the author need to understand why it has happened.

According to the opinion of the interviewees it might have happened because some of the respondents might see transparency as an expense and others as an investment to get more fundraising. Participant 5 stated that good transparency practices can increase costs of the organisation and are time consuming, but it is worth it.

To sum up, the interviewed participants did not see any negative effects regarding transparency practices. Participant 2 even mentioned that perhaps people can see that the charity has large revenues and for an instant think that the organisation does not need their donation, however, when they look at their expenses they will see that as their incomes increases, the more social impact they cause.

Improving the level of society's confidence in the third sector

Questions 8 and 9

What do you think should be done to improve the level of trust of people, businesses and government in the third sector?

More than 95% of respondents of the online survey believe it is important to have an organization within the sector promoting transparency for the entire industry. Why do you believe in this and how could the Instituto Doar, for example, achieve this mission?

The questions above were designed to find out the perspective of the respondents about what is the path that the third sector in Brazil should take to keep improving the level of trust of people and also to gain knowledge about their perspectives about the Instituto Doar has been doing, besides the results already collected in the online questionnaire.

When asked about what should be done to improve the level of trust of the population from Brazil in the philanthropic sector, most respondents of the interview said that Instituto Doar is doing a great job related to it. Only positive effects could be noticed on institute's awards strategy, which was shown in chapter 4.3.1. Participant 1 noticed that many charities started publishing their

financial statements and reports just after the awards “100 best NGOs”. They stated that the level of people's confidence will increase as organisations become more transparent (All Participants).

Participant 2 stated that more academic researches should be done in Brazil to bring new insights and perspectives about the sector. The sector must show more to the society that there are many excellent professionals working in the industry, as it would also to attract more of those professionals (P5). Participant 3 believes that a collaborative network is being created between organisations in Brazil so that they can help each other to spread knowledge, which will gradually bring maturity to the sector in the country.

All the answers were in line with Moore's (2004) and Gálvez-Rodríguez (2015) theories, where the regulation of the charities should not come from the government but from the sector itself.

4.4 Conclusion

This section was divided in two main parts, in the first part (subchapter 4.2) it was possible to have a broad perspective of the transparency practices and financial performance of the 100 Best Charities from 2017 and to show their organisational make up.

Analysing all 100 websites, the author noticed that most of the organisations published their financial statements, annual reports and name of directors and boards on their websites as their main transparency practices. It was significantly difficult to make analysis of their financial statements, which means that there are plenty of room for further standardization in the quality of third sector financial statements in Brazil. On the whole, most of the charities ended the years analysed with a surplus and had an increase in eventual donations from individuals and companies.

Seventeen charities out of the 100 Best NGOs from 2017 have not published their Financial Statements on their websites, it might have occurred either because it was the first edition of the awards and this criteria might not have had too much weight in the selection of the charities compared to other criteria or because as it was the first year, the practice of publishing their financial statements may not have been very common between the applicants for the awards.

The second part of this chapter (subchapter 4.3) was divided thematically to discuss and compare the findings of the information gathered by means of interviews and online questionnaires. The first theme presented was about good governance transparency practices of NGOs, where it was possible to understand more about the perception of the participants about the charities in Brazil and to gain knowledge about the best practices of governance and transparency in the sector. In general, the participants stated that the sector is reliable, there are a few corrupt organisations, but the majority are doing great work. Between the practices of transparency and governance, there are boards established to supervise, split the powers and help the executive board to achieve the mission of the organisation, many organisations publish their financial statements on their website and seek a closer relationship with their stakeholders.

The second and third themes were about positive and negative effects of transparency. Briefly, all the positive effects of transparency theories presented in the literature are in line with the context in Brazil, among them: a transparent organisation attracts more individual donors and volunteers; this type of organisation is also more likely to establish partnership with private companies and to enjoy tax benefits and have access to public resources; and transparency practices can improve the reputation of an NGO.

The perception of negative effects of transparency from the participants of this study was more heterogeneous. Some of them interpret the costs regarding transparency as an investment and not as an expense. Many of them also did not agree that transparency can cause some loss on flexibility in decision-making of any charity and most of them agreed that financial scandals, even involving a small group of NGOs can affect negatively the entire sector.

New insights about what should be done to improve the level of transparency of charities in Brazil was explored and the Instituto Doar seems to have a key role to play.

5 Concluding Thoughts on the Contribution of this Research, its Limitations and Suggestions for Further Research

5.1 Implications of Findings for the Research Questions

The main objective of this exploratory study is to ascertain transparency practices and financial performance of charitable organisations and to analyse the financial and non-financial effects of those practices when applied to the context of Brazil.

In order to achieve this objective, a sample of 100 charities who won an award in 2017, recognising them as the best NGOs in Brazil was selected. As presented in the findings and discussion section, the sample chosen was very diversified, which helps to gain a broader perspective regarding transparency practices in the third sector in the country. A large proportion (47%) of the headquarters of those organisations are established in São Paulo, the biggest city in Brazil and 50% of them have annual average income from 1 to 10 million BRL (Approximately from 250,000 to 2,500 million dollars).

As explained in the methodology section, the study adopted both, inductive and deductive approaches. The first one was utilised in open questions in the online questionnaire and in the interviews, and the second one was utilised in the online questionnaire. The objective of utilising inductive approach in this dissertation was to have more freedom to develop theories based on the perspective of the respondents. Opposite to the inductive approach, deductive approach tests previous theories and it was utilised in the online questionnaire to identify if the findings from the international literature could also be applied to the context of charities in Brazil.

The author elaborated statements based on theories presented in the literature review section of this study and sent an online questionnaire to all 100 charities by email. 97% (37 out of 38) of the respondents agreed with the following positive effects of transparency practices:

- Transparent organisations can attract more individuals who intend to donate money or to help the organisation with volunteer work.
- Companies are more likely to establish partnerships with transparent NGOs.
- Transparency practices can improve the reputation of an NGO and it is also very important for maintaining the trust of society.

The respondents of this research are mostly part (33 out of 39) of the management group of the organisations. The majority (33 out of 38) of the participants agreed that transparent organisations are more likely to enjoy tax benefits and have access to public resources. However, as identified in the interviews, some participants (2 out of 5 interviewees) were sceptical about the selective process to establish partnerships between the government and NGOs based in small cities, alleging a lack of transparency by some city councils. The opposite happened regarding their perception about big cities, States and the Union, where the participants stated that Brazil has improved a lot in relation to this process, mainly after the new regulations imposed after corruption scandals involving some NGOs and the government in 2011 by the federal government.

Regarding the negative effects of transparency for those organisations, 58% (22 out of 38) of the respondents agreed that maintaining transparency standards increases organisations' costs while 42% (16 out of 38) disagreed. This divergence of opinion happened essentially because some of the participants understand transparency as an investment, where the applied resources pays for itself and bring more benefits, other participants interpreted the statement to the letter.

The majority of the respondents (32 out of 38) did not agree that transparency can cause some NGOs to lose flexibility in decision-making, hindering the achievement of their mission. In the interviewees opinion, there is no reason for choosing not to be transparent, unless the organisation has something to hide or if the NGO is just starting its activities and do not have resources to invest in transparency, but in this case, it would not be a choice but a condition.

Other justifications presented for not making public the financial reports of non-profit organisations were:

- The practice can raise unnecessary questions from people who not necessarily know how to interpret financial statements.
- Some organisations, especially the ones that do not depend on eventual donations of individuals and companies see no need for this practice, as the focus of transparency strategies of its NGO is on its major investors.

Open questions were utilised either in the online questionnaire and in the interview process. The main results are as follows:

- The professionalization within the philanthropic sector is fundamental to increase the level of transparency in the sector and consequently the level of people's confidence.
- Transparency practices are important for motivation and engagement of the staff in the organisation.
- Transparent processes bring more security and confidence from managers for decision making.

Among the most common transparency practices in the organisations studied are: publication of annual reports, financial statements and information about the boards on their websites, a system of corporate governance to split the power of the management, which includes external and independent audit opinion of the financial statements of the NGOs.

Most of the participants (36 out of 38) believe that financial scandals, involving corruption or fraud for instance in a small group of NGOs, can negatively affect the entire third sector as soon as that news gains publicity.

Initiatives such as the one from the Institute Doar on promoting an award scheme and third-party certification, were identified as very important by the respondents to strengthen the image of a transparent and reliable sector. Among the main benefits that the awards brought to organisations are greater visibility/gain of publicity and gain of credibility. The opinion of the respondents about the increase in the number of donations after winning the awards was somewhat divided. 15 perceived an increase in donations after winning the award, 14 did not perceive any increase and 9 did not know how to measure it, but among those who perceived that the award brought an increase in donations, the average increase was of 10%, with a minimum variation of 1% and

a maximum variation of 50%. More academic research initiatives and collaborative network were pointed as other possible solutions to improve the level of trust of people, businesses and government in the third sector.

5.2 Contributions and Limitations of the Research

There is a plethora of literature on transparency in NGOs internationally known, but very few in Brazil, which makes this a significant topic and still little explored. The multiple methodologies applied to this study make it unique, bringing a broad perspective of transparency practices from NGOs in Brazil and its effects.

As an exploratory study with an interpretivist philosophy, the research brought to light initial findings about the field, applying international theories to the context of charities in Brazil. Thanks to the methodologies applied to this dissertation, the study presented those findings in a deeper and less generalised way.

For the sake of time to finish this project, an average of 14 days was provided for the management of the 100 Best NGOs from 2017 to answer the online questionnaire. Unfortunately, some of them were only able to read the email two to five weeks later and were unable to participate in the online survey. The sample of this project is also very small compared to the estimate of almost 800,00 charities present in Brazil, and again, do not bring a generalised perspective of transparency practices of NGOs in Brazil. Besides the limitations above, generalisation could not be applied, because the author did not find evidence of a similar research that has been applied to the context of Brazil and because of time limitation.

The findings might not be applied to charities in other countries or organisations that have been running for less than 5 years. As 83 out of 100 charities have an annual average income from 1 to over 50 million BRL, the findings can also be limited to medium and large charities perspectives.

5.3 Recommendations for Practice

The application of transparency practices, mainly the disclosure of the activity report and financial statements on the organisation's website, has been noted to have many positive effects within the philanthropic sector in Brazil. It would be recommended for medium and large NGOs that depend on eventual donations

from companies and individuals, to be transparent and to keep a close relationship with their stakeholders to take advantage of those effects.

Companies, individuals and the sector itself should keep an eye on the entire sector, especially in non-transparent organisations, as big scandals can possibly bring a negative effect to the whole sector. Self-regulation within the sector itself appears to be more plausible for the context of Brazil.

The mission to increase the level of trust of people and companies in the third sector is difficult and must be done on an ongoing basis. Media in Brazil could also begin to show how much the sector has developed and is bringing a positive impact to Brazil.

The Institute Doar has apparently caused a huge movement for organisations to become more transparent in Brazil. However, as pointed out in this study, there is room for improvement regarding the quality and standardization of financial statements within the industry in Brazil. The Federal Accounting Council of Brazil could work with an education program in relation to accounting in the third sector in a more widely disseminated way.

Finally, government regulatory processes for partnering with NGOs must be expanded to small cities, the entire sector could mobilize to put pressure on the government.

5.4 Recommendations for Future Research

The combination of the objectives and methodology applied to this dissertation brought a set of positive and negative effects that were previously proven in the international literature for the context of Brazil, adding new discoveries, such as the positive effect of transparency on the engagement and motivation of NGO employees.

It would be recommended to apply the findings of this initial research to a bigger sample, testing the hypotheses raised in this study in a purely quantitative way, which will bring results based on a more positivist philosophy perspective.

This research also focused only on charities that generally already practice transparency; it would be interesting to have another exploratory study to explore the completely opposite side, in medium and large charities that choose not to be transparent.

5.5 Final Conclusion and Reflections

In conclusion, this research shows that from the perception of the respondents (mainly medium and large charities management in Brazil) and also based on international academic theories, there are many more positive effects regarding transparency practices in the charitable sector than negative ones.

As in Germany, transparency practices for the third sector happens in Brazil on a voluntary basis, without strong government involvement in these regulations. The third sector has initiated initiatives to regulate itself and promote transparency practices through award schemes, third party certification and educational programs, among others. The industry, despite being relatively new in the country, has been developing its professionalism in recent years.

The sector has a fundamental role in the country's development. Support for these organisations tends to gain more strength as the sector continues to work in a professional, transparent, and honest manner.

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Appendices

Appendix A – Literature Review Complement – A Comparison of donation culture between Brazil and USA

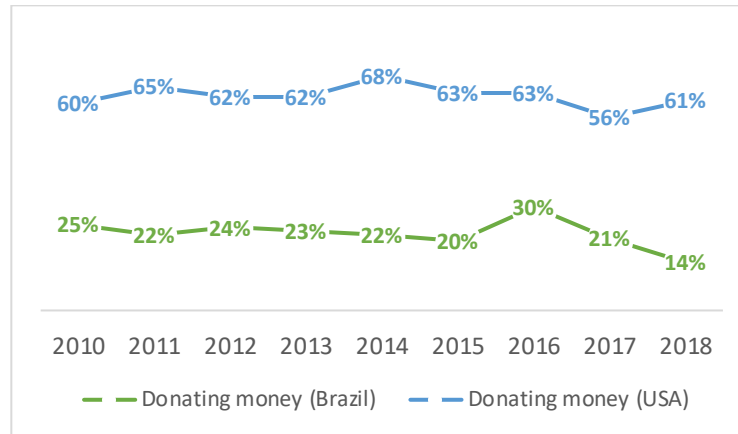


Figure 1: Donating money to a charity criteria comparison (CAF, 2018)

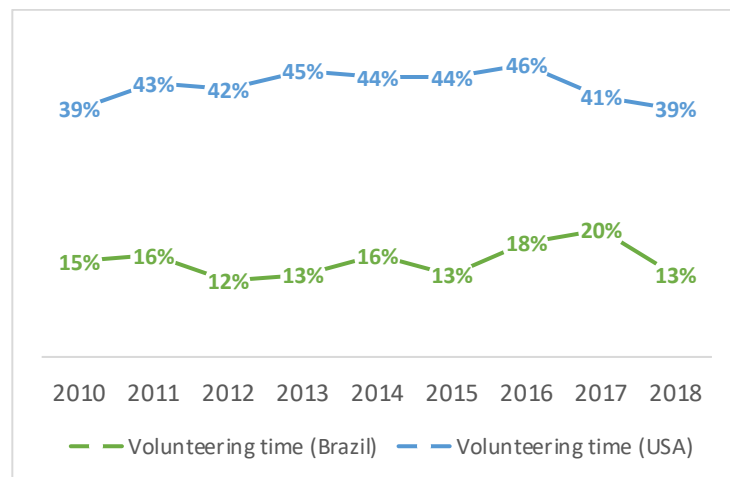


Figure 2: Volunteering time criteria comparison (CAF, 2018)

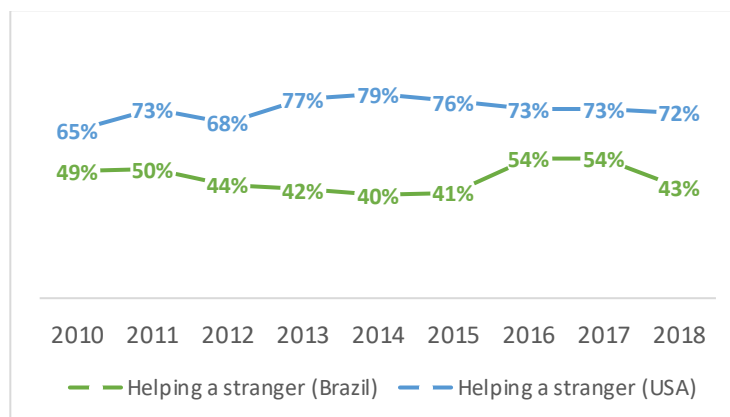


Figure 3: Helping a stranger criteria comparison (CAF, 2018)

Appendix B – Search Form

Title: Research on the effects of good transparency practices for non-profit organisations in Brazil

Statement of consent: Before I begin to respond to this survey, I declare that I have read, understood and I agree with all terms of the informed consent form sent to me by email. My questions and concerns were answered satisfactorily by the researcher and, therefore, I agree to participate in this research project.

- a) I agree
- b) I don't agree

*mandatory question

Aligning expectations:

The Survey is divided into 3 sections:

Part I: General questions about the participant and the organisation

Part II: Questions about the Best NGOs Award 2017

Part III: Transparency issues

Questions:

- 1) What's your e-mail address? (Optional - you don't need to identify yourself)
- 2) Which organisation you are representing (Optional - you don't need to identify the organisation)
- 3) What do you do within the organisation?
 - a) I am a director
 - b) I am a manager or coordinator
 - c) Other options
- 4) How long have you been working in this organisation?
 - a) Less than 1 year
 - b) From 1 to 2 years
 - c) From 3 to 5 years
 - d) From 6 to 10 years
 - e) More than 11 years
- 5) What is the annual average income of your organisation?
 - a) Until 100,000 BRL
 - b) From 100,000 to 200,000 BRL
 - c) From 200,000 to 500,000 BRL
 - d) From 500,000 to 1 million BRL
 - e) From 1 million to 10 million BRL
 - f) From 10 million to 50 million BRL
 - g) Over 50 million BRL
- 6) The organisation you work for is present:
 - a) Only in Brazil
 - b) In Brazil and around the world
 - c) I do not know
- 7) The accounting of the organisation you work for is:

- a) Outsourced
 - b) Internal
 - c) I do not know
- 8) Do the financial statements of the organisation you work in go through an external audit process at least once a year?
- a) Yes
 - b) No
 - c) I do not know
- 9) Are the Financial Statements from 2016 to 2018 available on the website of the organisation?
- a) Yes
 - b) No
 - c) I do not know

Statement that appeared only for people who answered "no"

If the financial statement for these 3 years is not available on the organisation's website, I would ask you to send them to me by email if possible. Please be reminded that this research is for academic purposes only and that the information in the financial statements will be accessed only by me and treated confidentially. If you cannot send them, there is no problem either, your answers to this survey are still very valuable.

Part II: Awards

- 1) What were the perceived benefit(s) of winning the best NGOs award in 2017? (Qualitative question)
- 2) Was there any perceived downside to winning the award? If so, which one(s)? (Qualitative Question)
- 3) Do you believe that the advertising gain with the recognition of the award attracted more donors to the organisation?
 - a) Yes
 - b) No
 - c) I do not know
- 4) What would be the estimated percentage of donation increase due to the award? (Open Question – it will appear only for people that answered yes)

* For this question, consider eventual donations from individuals and legal entities as a criterion, if you have no idea, you can skip this question.
- 5) How important is it, having an organisation within the third sector itself promoting transparency?

(In a classification where 1 means not important and 4 means very important)

(Scale 1 – 4)

Part III - Transparency

For the purposes of this research, let us consider transparency as the disclosure of the activity report and financial statements on the organisation's website.

Classify the following sentences according to your opinion.

All questions would have a scale of 1 to 4:

1 - I totally disagree

2 - I partially disagree

3 - I partially agree

4 - I totally agree

10) A transparent organisation attracts more donors (individuals)

(Scale 1 – 4)

11) A transparent organisation is more likely to establish partnership with private companies

(Scale 1 – 4)

12) A more transparent organisation is more likely to enjoy tax benefits and have access to public resources

(Scale 1 – 4)

13) Volunteers are more attracted to engaging with more transparent NGOs.

(Scale 1 – 4)

14) Transparency is very important for maintaining the trust of society.

(Scale 1 – 4)

15) Good transparency practices can improve the reputation of an NGO.

(Scale 1 – 4)

16) Maintaining transparency standards increases organisation costs.

(Scale 1 – 4)

17) Transparency can cause some NGOs to lose flexibility in decision-making, hindering the achievement of their mission.

(Scale 1 – 4)

18) Financial scandals, involving corruption or fraud for instance in a small group of NGOs, can negatively affect the entire third sector.

(Scale 1 – 4)

19) Regarding the theme of the research (Transparency in the Third Sector), are there other positive or negative effects (advantages or disadvantages) that have not been addressed in this questionnaire and that you believe should be considered? (Qualitative question)

Final Statement: My most sincere thanks for your constructive cooperation

Appendix C – Informed Consent Form



Griffith College GBS

Informed Consent Form

An Investigation on the Effects of Transparency Practices for Non-Profit Organisations in Brazil is a research that seeks to analyze the **perspectives of the winners of the award "100 Best NGOs"** on the effects of this award and also on the importance of good transparency practices for the third sector in Brazil.. The award is a national recognition promoted by **Instituto Doar**, an NGO whose mission is to expand the culture of donation in Brazil and worldwide. The study is being conducted by **Wesley Braga Silva**, a master's student in Accounting and Financial Management at **Griffith College in Dublin, Ireland**. All the answers of this study will be translated into English, as well as the entire dissertation in question. At the end of the project, the main results of the study may be made available in Portuguese for those who participated in the research.

I. Clarification of the purpose of the research

This research aims to promote a study on the impacts of good transparency practices of third sector organisations in Brazil, from the perception of those responsible for the organisations that won the **"100 Best NGOs"** award in **2017**, which at the time was promoted by Instituto Doar and Época Magazine.

The Best NGO Award has been promoted since 2017 and its mission is to recognize and disseminate the NGOs in Brazil that stand out most each year for their excellence in management, governance, financial sustainability and transparency.

Therefore, the main objectives of this study are:

- 4) Investigate the transparency practices of philanthropic organizations in Brazil.
- 5) Analyze financial and non-financial advantages and disadvantages that transparency practices bring to non-profit organizations in Brazil.

- 6) Investigate the criteria, impact and importance of the "Best NGOs Award" on its role of promoting good transparency practices and fostering the culture of donation in Brazil.

II. Confirmation that involvement in the Research Study is voluntary

- I understand that even if I agree to participate now, I can withdraw at any time or refuse to answer any question without any consequences of any kind.

III. Advice as to arrangements to be made to protect the confidentiality of the data, including the confidentiality of the information provided that is subject to legal limitations

- I understand that all information I provide for this study will be treated confidentially.
- I understand that in any report on the results of this research, my identity will remain anonymous.
- I understand that disguised extracts from my interview may be quoted in a dissertation work
- I understand that the terms of consent and answers of the online questionnaire will be withheld in security measures and will be accessed only by the researcher, Wesley Braga Silva until 31/10/2020.
- I understand that the terms of consent, identification information and online questionnaire responses may be deleted after 31/10/2020.
- I understand that under freedom of information legislation, I am entitled to access the information I have provided at any time while it is in storage as specified above.
- I understand that I am free to contact the researcher involved in the project at any time to seek further clarification and information.

Appendix D – Semi-Structured Interview Questionnaire

Questionnaire:

1) Considering the context of non-governmental organisations governance practices in Brazil. What does transparency mean to you?

2) What are the transparency practices adopted by your organisation and why do you believe these strategies are important?

3) What are the positive effects that transparency practices brought to the organisation in which you work??

If possible, provide examples of situations observed in your professional career to support your answer.

4) When you were creating strategies regarding transparency of your organisation, were you most concerned about government, individuals or companies as your target audience? Why do you believe these strategies are important to them?

5) Considering the context of Brazil, why do some organisations choose not to be transparent?

6) What are the negative effects that transparency practices brought to the organisation in which you work??

If possible, provide examples of situations observed in your professional career to support your answer.

7) One statement that completely divided respondents' opinions, was that "maintaining standards of transparency increases the organization's expenses." Why do you believe that the percentage of agreement and disagreement of this statement was so diversified?

8) What do you think should be done to improve the level of trust of people, businesses, and government in the third sector?

9) More than 95% of respondents of the online survey believe it is important to have an organization within the sector promoting transparency for the entire industry. Why do you believe in this and how could the Instituto Doar, for example, achieve this mission?

Appendix E – Website Analysis Report



Figure 1: Geographical distribution of NGOs that won the 100 best NGOs Award in 2017. (Author)

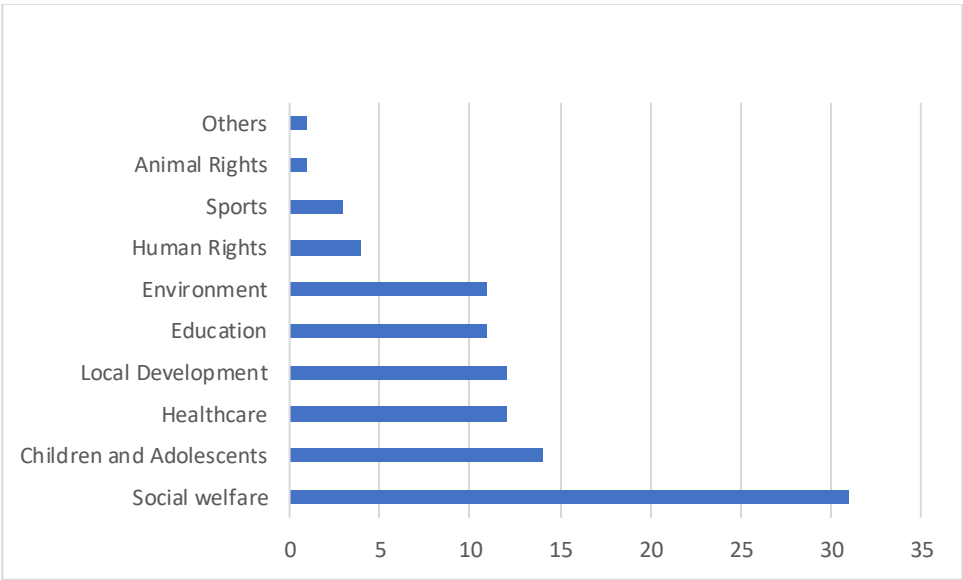


Figure 2: 100 Best Charities Main Causes (Author)

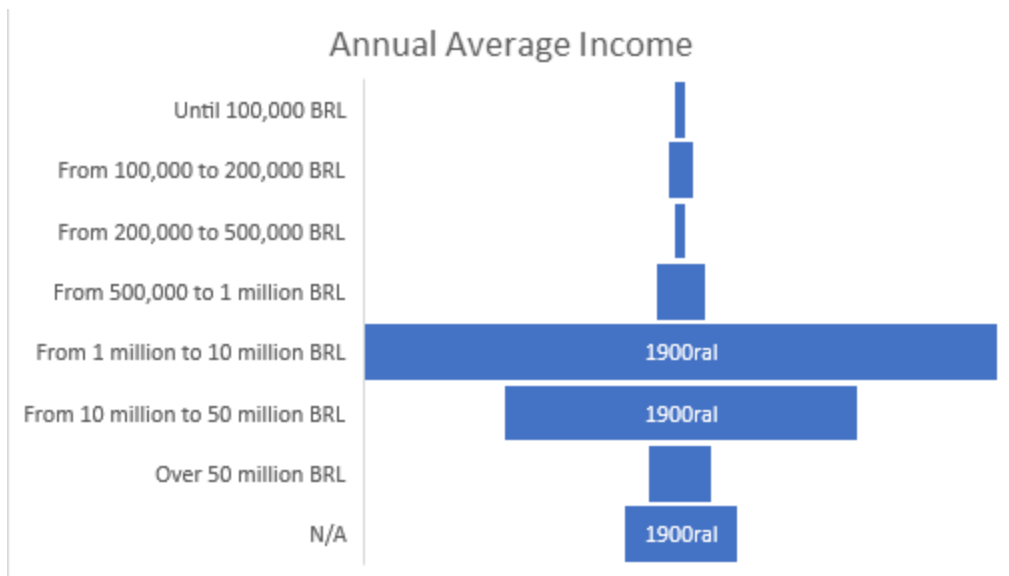


Figure 3: Annual Average Income of the samples analysed. (Author)

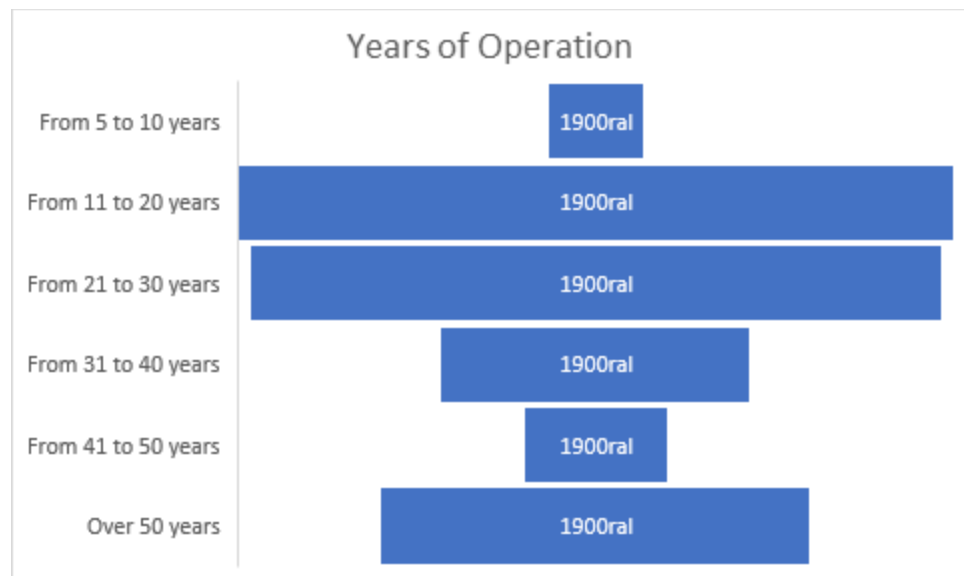


Figure 4: Years of Operation from the sample analysed (Author)

Appendix F – Financial Statements Analysis Report

Table 1 – Eventual Donations from Individuals and Companies Analysis in BRL

Sample	Eventual Donations from Individuals and Companies (BRL)			16/17	17/18	
	2016	2017	2018	% 16/17	% 17/18	%16/18
NGO 1	266.031,00	439.950,00	415.740,00	65%	-6%	56%
NGO 2	7.468.998,00	7.417.091,00		-1%		
NGO 3	660.604,00	700.397,00	782.840,00	6%	12%	19%
NGO 4	10.395.489,00	11.741.162,00	13.841.272,00	13%	18%	33%
NGO 5	17.043.944,00	21.384.886,00	29.996.614,00	25%	40%	76%
NGO 6	732.364,00	891.972,00	812.430,00	22%	-9%	11%
NGO 7						
NGO 8	2.338.359,00	2.387.131,00	2.299.397,00	2%	-4%	-2%
NGO 9		2.187.992,00	2.030.888,00		-7%	
NGO 10	713.154,00	721.934,00	703.030,00	1%	-3%	-1%
NGO 11	518.819,00	492.753,00	391.379,00	-5%	-21%	-25%
NGO 12		245.459,00	633.458,00		158%	
NGO 13	4.514.448,00	4.368.938,00	4.801.448,00	-3%	10%	6%
NGO 14		800.903,00	2.526.692,00		215%	
NGO 15		12.048.000,00	7.286.000,00		-40%	
NGO 16		1.698.887,00	1.788.142,00		5%	
NGO 17	6.116.000,00	6.229.000,00	6.682.000,00	2%	7%	9%
NGO 18	2.441.000,00	1.871.000,00	1.200.000,00	-23%	-36%	-51%
NGO 19		158.096,00	178.490,00		13%	
NGO 20	19.552.142,00	18.411.311,00	19.286.548,00	-6%	5%	-1%
NGO 21						
NGO 22	5.141.017,00	5.994.101,00	5.939.084,00	17%	-1%	16%
NGO 23	698.519,00	568.439,00		-19%		-100%
NGO 24		305.245,00	185.477,00		-39%	
NGO 25	52.365.000,00	49.061.000,00	49.777.000,00	-6%	1%	-5%
NGO 26	170.654,00	156.372,00	287.660,00	-8%	84%	69%
NGO 27		615.201,00	1.265.916,00		106%	
NGO 28		702.591,00	955.264,00		36%	
NGO 29	89.082,00	69.314,00	134.445,00	-22%	94%	51%
NGO 30	69.401,00	121.337,00	26.672,00	75%	-78%	-62%
NGO 31						
NGO 32		2.611.497,00	2.150.368,00		-18%	
NGO 33	8.284.824,00	11.020.150,00	13.681.700,00	33%	24%	65%
NGO 34	510.468,00	694.807,00	1.009.000,00	36%	45%	98%
NGO 35		102.168,00	101.834,00		-0,33%	
NGO 36	403.729,00	449.406,00	447.819,00	11%	-0,35%	11%
NGO 37		1.787.828,00	1.091.865,00		-39%	

NGO 38	299.214,00	484.449,00	813.450,00	62%	68%	172%
NGO 39	14.480.000,00	18.305.000,00	32.438.000,00	26%	77%	124%
NGO 40	992.326,00	657.703,00	792.243,00	-34%	20%	-20%
NGO 41						
NGO 42	1.623.166,00	2.138.025,00	1.906.164,00	32%	-11%	17%
NGO 43	681.047,00	1.075.747,00	547.471,00	58%	-49%	-20%
NGO 44	276.084,00	344.203,00	520.577,00	25%	51%	89%
NGO 45						
NGO 46	511.754,00	745.482,00	746.302,00	46%	0,11%	46%
NGO 47	1.724.658,00	1.514.779,00	1.129.171,00	-12%	-25%	-35%
NGO 48	2.177.641,00	1.763.640,00	1.711.246,00	-19%	-3%	-21%
NGO 49	142.034,00	98.085,00	606.799,00	-31%	519%	327%
NGO 50	180.000,00	93.000,00	78.000,00	-48%	-16%	-57%
NGO 51	8.975.519,00	7.936.524,00	6.584.285,00	-12%	-17%	-27%
NGO 52	7.813.954,00	8.492.000,00	4.135.000,00	9%	-51%	-47%
NGO 53	71.705,00	128.336,00	275.101,00	79%	114%	284%
NGO 54		3.306.016,00	3.123.099,00		-6%	
NGO 55	1.307.663,00	1.319.688,00	1.923.272,00	1%	46%	47%
NGO 56						
NGO 57	2.224.269,00	2.614.221,00		18%		
NGO 58	1.157.000,00	1.233.000,00		7%		
NGO 59	3.349.666,00	3.426.876,00	2.575.108,00	2%	-25%	-23%
NGO 60		3.914.074,00	4.465.563,00		14%	
NGO 61						
NGO 62	1.160.781,00	1.531.507,00	1.779.032,00	32%	16%	53%
NGO 63						
NGO 64						
NGO 65	118.337,00	103.149,00	173.959,00	-13%	69%	47%
NGO 66	4.178.091,00	4.287.214,00	4.615.459,00	3%	8%	10%
NGO 67		2.843.601,00	3.293.576,00		16%	
NGO 68						
NGO 69		9.881.212,00	9.091.981,00		-8%	
NGO 70		2.203.000,00	2.342.000,00		6%	
NGO 71	7.724.000,00	7.450.000,00	13.101.000,00	-4%	76%	70%

Table 2 – Gross Income Analysis (Including Financial Applications) in BRL

Sample	2016	2017	2018	% 16/17	% 17/18
NGO 1	2.738.036,00	2.799.856,00	3.076.184,00	2%	10%
NGO 2	9.237.528,00	9.012.766,00		-2%	
NGO 3	8.060.081,00	7.999.146,00	9.178.877,00	-1%	15%
NGO 4	53.979.746,00	49.768.327,00	54.380.278,00	-8%	9%
NGO 5	25.023.310,00	31.564.205,00	43.725.247,00	26%	39%
NGO 6	17.037.744,00	18.431.928,00	19.205.704,00	8%	4%
NGO 7	701.533,11	1.121.625,00	1.606.090,00	60%	43%
NGO 8	3.212.778,00	3.111.740,00	2.855.576,00	-3%	-8%
NGO 9		10.349.333,00	10.276.622,00		-1%
NGO 10	14.976.777,00	14.265.791,00	17.691.353,00	-5%	24%
NGO 11	3.348.247,00	2.492.510,00	4.729.239,00	-26%	90%
NGO 12	6.661.859,00	4.338.475,00	6.412.942,00	-35%	48%
NGO 13	4.861.976,00	4.637.690,00	5.428.653,00	-5%	17%
NGO 14	23.840.085,00	22.062.057,00	23.966.053,00	-7%	9%
NGO 15		16.037.000,00	9.328.000,00		-42%
NGO 16		5.875.354,00	5.847.772,00		0%
NGO 17	27.484.000,00	23.642.000,00	23.750.000,00	-14%	0%
NGO 18	8.480.000,00	8.651.000,00	9.015.000,00	2%	4%
NGO 19		324.571,00	336.690,00		4%
NGO 20	34.381.045,00	30.397.021,00	31.881.810,00	-12%	5%
NGO 21	36.629.000,00	29.225.000,00	30.960.000,00	-20%	6%
NGO 22	17.344.783,00	18.277.336,00	17.741.896,00	5%	-3%
NGO 23	8.820.143,00	10.434.580,00		18%	
NGO 24		320.892,00	186.822,00		-42%
NGO 25	115.909.000,00	129.851.000,00	141.548.000,00	12%	9%
NGO 26	6.651.105,00	6.560.487,00	7.582.666,00	-1%	16%
NGO 27	3.869.499,00	3.565.948,00	4.263.038,00	-8%	20%
NGO 28		80.633.046,00	85.054.225,00		5%
NGO 29	1.043.088,00	903.849,00	947.638,00	-13%	5%
NGO 30	7.858.915,00	8.190.922,00	7.905.055,00	4%	-3%
NGO 31	8.941.307,00	7.224.253,00	8.178.076,00	-19%	13%
NGO 32		3.624.644,00	3.424.434,00		-6%
NGO 33	19.316.084,00	22.768.896,00	24.763.349,00	18%	9%
NGO 34	200.731.065,00	188.634.268,00	189.867.000,00	-6%	1%
NGO 35		2.384.663,00	2.853.930,00		20%
NGO 36	56.108.882,00	51.878.655,00	50.313.061,00	-8%	-3%
NGO 37		11.494.080,00	10.497.137,00		-9%
NGO 38	6.024.236,00	4.114.947,00	5.002.565,00	-32%	22%
NGO 39	38.550.000,00	39.411.000,00	52.948.000,00	2%	34%
NGO 40	2.040.418,00	2.093.070,00	1.774.890,00	3%	-15%
NGO 41	10.057.424,00	7.032.699,00	7.615.000,00	-30%	8%
NGO 42	8.998.028,00	15.642.622,00	11.695.017,00	74%	-25%

NGO 43	2.976.098,00	2.993.790,00	4.255.538,00	1%	42%
NGO 44	2.002.817,00	2.900.476,00	1.487.187,00	45%	-49%
NGO 45	1.211.684,00	1.228.318,00	1.123.339,00	1%	-9%
NGO 46	2.121.301,00	2.550.380,00	1.301.607,00	20%	-49%
NGO 47	1.850.728,00	1.677.046,00	1.441.965,00	-9%	-14%
NGO 48	4.027.336,00	5.432.918,00	5.566.249,00	35%	2%
NGO 49	2.351.656,00	1.390.299,00	2.612.363,00	-41%	88%
NGO 50	15.552.000,00	13.841.000,00	11.888.000,00	-11%	-14%
NGO 51	31.414.866,00	35.595.106,00	38.705.306,00	13%	9%
NGO 52	9.344.299,00	13.920.000,00	14.969.000,00	49%	8%
NGO 53	657.934,00	800.344,00	2.512.445,00	22%	214%
NGO 54	22.463.755,00	21.426.731,00	25.553.019,00	-5%	19%
NGO 55	3.144.160,00	2.482.666,00	3.428.377,00	-21%	38%
NGO 56	17.957.553,00	23.414.799,00	21.495.672,00	30%	-8%
NGO 57	27.652.714,00	24.465.855,00		-12%	
NGO 58	2.230.000,00	3.519.000,00		58%	
NGO 59	38.311.556,00	35.446.356,00	36.823.478,00	-7%	4%
NGO 60		455.832.496,00	532.097.961,00		17%
NGO 61	10.050.000,00	6.562.000,00	5.950.000,00	-35%	-9%
NGO 62	1.807.698,00	2.284.033,00	3.076.894,00	26%	35%
NGO 63	7.712.988,00	6.633.793,00	2.899.630,00	-14%	-56%
NGO 64	24.933.000,00	22.809.000,00	20.719.000,00	-9%	-9%
NGO 65	1.129.154,00	1.057.374,00	1.617.713,00	-6%	53%
NGO 66	7.463.427,00	7.626.745,00	6.116.607,00	2%	-20%
NGO 67	13.274.203,00	11.943.958,00	14.266.344,00	-10%	19%
NGO 68	3.637.182,00	2.688.034,00	2.603.667,00	-26%	-3%
NGO 69		46.149.155,00	43.977.805,00		-5%
NGO 70	12.992.000,00	15.636.000,00	16.314.000,00	20%	4%
NGO 71	59.468.000,00	82.564.000,00	50.322.000,00	39%	-39%

Table 3 – Balance Analysis in BRL

Sample	2016	2017	2018	2016	2017	2018
NGO 1	-262.054,00	-33.939,00	-123.801,00	Deficit	Deficit	Deficit
NGO 2	-561.265,00	-717.673,00		Deficit	Deficit	
NGO 3	531.504,00	-91.962,00	491.434,00	Surplus	Deficit	Surplus
NGO 4	-6.347.994,00	1.301.016,00	1.729.291,00	Deficit	Surplus	Surplus
NGO 5	1.764.198,00	662.612,00	11.775.490,00	Surplus	Surplus	Surplus
NGO 6	226.679,00	50.217,00	-175.260,00	Surplus	Surplus	Deficit
NGO 7	-95.010,00	228.910,00	575.409,00	Deficit	Surplus	Surplus
NGO 8	871.129,00	214.146,00	249.723,00	Surplus	Surplus	Surplus
NGO 9		-157.207,00	-209.995,00		Deficit	Deficit
NGO 10	1.702.542,00	621.198,00	4.136.535,00	Surplus	Surplus	Surplus
NGO 11	-189.694,00	-239.762,00	546.094,00	Deficit	Deficit	Surplus
NGO 12	714.573,00	347.507,00	-21.385,00	Surplus	Surplus	Deficit
NGO 13	120.087,00	-59.885,00	353.941,00	Surplus	Deficit	Surplus
NGO 14	-110.737,00	608.102,00	1.216.585,00	Deficit	Surplus	Surplus
NGO 15		-1.074.000,00	-1.415.000,00		Deficit	Deficit
NGO 16		-147.356,00	-418.832,00		Deficit	Deficit
NGO 17	-1.062.000,00	-217.000,00	605.000,00	Deficit	Deficit	Surplus
NGO 18	626.000,00	851.000,00	553.000,00	Surplus	Surplus	Surplus
NGO 19		-342	41.025,00		Deficit	Surplus
NGO 20	7.792.973,00	1.880.084,00	3.076.092,00	Surplus	Surplus	Surplus
NGO 21	14.070.000,00	1.346.000,00	1.046.000,00	Surplus	Surplus	Surplus
NGO 22	616.344,00	-1.432.603,00	-451.705,00	Surplus	Deficit	Deficit
NGO 23	-271.644,00	43.279,00		Deficit	Surplus	
NGO 24		-14.683,00	42.455,00		Deficit	Surplus
NGO 25	3.094.000,00	2.000.000,00	15.787.000,00	Surplus	Surplus	Surplus
NGO 26	66.066,00	232.896,00	-205.051,00	Surplus	Surplus	Deficit
NGO 27	89.275,00	-87.623,00	65.836,00	Surplus	Deficit	Surplus
NGO 28		-1.392.757,00	-3.202.254,00		Deficit	Deficit
NGO 29	-43.169,00	-8.432,00	82.553,00	Deficit	Deficit	Surplus
NGO 30	-21.916,00	-492.983,00	320.081,00	Deficit	Deficit	Surplus
NGO 31	883.312,00	70.931,00	-71.915,00	Surplus	Surplus	Deficit
NGO 32		-68.454,00	394.581,00		Deficit	Surplus
NGO 33	244.311,00	1.075.743,00	1.170.361,00	Surplus	Surplus	Surplus
NGO 34	4.546.079,00	3.151.266,00	8.699.000,00	Surplus	Surplus	Surplus
NGO 35		-21.393,00	-77.412,00		Deficit	Deficit
NGO 36	5.822.134,00	-9.184.085,00	-3.162.175,00	Surplus	Deficit	Deficit
NGO 37		-766.850,00	-654.439,00		Deficit	Deficit
NGO 38	281.409,00	-320.614,00	1.225.446,00	Surplus	Deficit	Surplus
NGO 39	-6.185.000,00	-	-2.877.000,00	Deficit	Deficit	Deficit
NGO 40	661.822,00	103.641,00	-490.934,00	Surplus	Surplus	Deficit
NGO 41	189.732,00	85.449,00	47.000,00	Surplus	Surplus	Surplus

NGO 42	10.167,00	5.160.337,00	1.398.881,00	Surplus	Surplus	Surplus
NGO 43	-42.577,00	20.394,00	89.410,00	Deficit	Surplus	Surplus
NGO 44	987.377,00	1.659.747,00	-484.128,00	Surplus	Surplus	Deficit
NGO 45	-196.169,00	-101.757,00	-17.901,00	Deficit	Deficit	Deficit
NGO 46	-45.447,00	61.832,00	-148.673,00	Deficit	Surplus	Deficit
NGO 47	908.872,00	466.054,00	-108.927,00	Surplus	Surplus	Deficit
NGO 48	-80.427,00	727.466,00	197.797,51	Deficit	Surplus	Surplus
NGO 49	-603.416,00	-1.518.706,00	-959.855,00	Deficit	Deficit	Deficit
NGO 50	-4.871.000,00	-2.112.000,00	-928.000,00	Deficit	Deficit	Deficit
NGO 51	409.963,00	281.807,00	462.956,00	Surplus	Surplus	Surplus
NGO 52	-251.351,00	2.218.000,00	2.218.000,00	Deficit	Surplus	Surplus
NGO 53	-184.294,00	-108.012,00	991.074,00	Deficit	Deficit	Surplus
NGO 54	676.041,00	-442.552,00	843.929,00	Surplus	Deficit	Surplus
NGO 55	15.014,00	120.549,00	894	Surplus	Surplus	Surplus
NGO 56	999.472,00	4.888.703,00	-1.953.205,00	Surplus	Surplus	Deficit
NGO 57	-64.444,00	252.282,00		Deficit	Surplus	
NGO 58	-243.000,00	984.000,00		Deficit	Surplus	
NGO 59	2.164.727,00	-127.821,00	804.205,00	Surplus	Deficit	Surplus
NGO 60		56.131.578,00	75.756.565,00		Surplus	Surplus
NGO 61	2.350.000,00	689.000,00	-771.000,00	Surplus	Surplus	Deficit
NGO 62	53.950,00	-102.913,00	-180.700,00	Surplus	Deficit	Deficit
NGO 63	2.488.857,00	118.721,00	-2.148.697,00	Surplus	Surplus	Deficit
NGO 64	534.000,00	-132.000,00	-839.000,00	Surplus	Deficit	Deficit
NGO 65	-26.240,00	71.224,00	340.838,00	Deficit	Surplus	Surplus
NGO 66	417.637,00	-929.573,00	-591.034,00	Surplus	Deficit	Deficit
NGO 67	5.731.619,00	972.301,00	1.023.308,00	Surplus	Surplus	Surplus
NGO 68	426.485,00	483.868,00	-41.852,00	Surplus	Surplus	Deficit
NGO 69		1.428.100,00	2.969.115,00		Surplus	Surplus
NGO 70	405.000,00	306.000,00	739.000,00	Surplus	Surplus	Surplus
NGO 71	1.268.000,00	629.000,00	-1.292.000,00	Surplus	Surplus	Deficit

Appendix G – Interviews Report

Interviewer: Author

Interviewee: Bio of participants are seen in chapter 4.2.3

Interview setting:

Participant 1: Interview conducted at 10:00 (GMT-3) on the 16th of July 2020 via zoom call

Participant 2: Interview conducted at 15:00 (GMT-3) on the 21st of July 2020 via zoom call

Participant 3: Interview conducted at 14:00 (GMT-3) on the 23rd of July 2020 via zoom call

Participant 4: Interview conducted at 10:00 (GMT-3) on the 24th of July 2020 via zoom call

Participant 5: Interview conducted at 15:00 (GMT-3) on the 24th of July 2020 via zoom call

Total File Duration: 3 hours 5 minutes.

The transcript of the interviews can be presented upon request.